

# *The* **NATIONAL UNDERWRITER**

*CASUALTY  
FIDELITY  
SURETY*

## REINSURANCE



ESTABLISHED 1911

THE

### *European General*

REINSURANCE COMPANY, LIMITED  
OF LONDON, ENGLAND

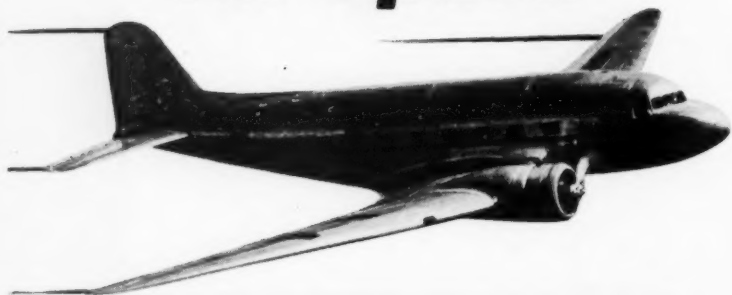
*United States Branch  
99 John St., New York*

T. L. HAFF  
*U. S. Manager*

E. BRANDLI  
*Asst. U. S. Manager*

**THURSDAY, JUNE 19, 1941**

# YOU DEPEND ON THE AIRLINES *for speed*



**and the airlines  
depend on  
Postal Telegraph**



**Phone\***

● Speed plus dependable service! That's why—"It Pays To Fly!" And for these same reasons, all major airlines—like many of America's greatest business firms—have found—it pays to use Postal Telegraph.

You too can enjoy this same speedy, dependable telegraph service—at low cost—at any Postal Telegraph office. Or—

## Postal Telegraph

\*Charges appear on your phone bill

100 YEARS AGO



THE canal boat of a century ago—when the Security Insurance Company of New Haven was founded—has given way to the railroad, the motor truck and the freight-carrying airplane. Time, the "Great Innovator," has demanded progress and ever more progress—of insurance as well as of transportation... The Security has kept up with the times. Every day, now, it and its subsidiaries, a multiple-line-writing group of companies, underwrite risks which the Company's founders would never have thought possible. With its first century behind it, the Security is geared for a second 100 years of even greater usefulness.

"1841—A CENTURY

OF SECURITY—1941"



THE object of an insurance policy is to guarantee protection against specific loss, but what is further appreciated by the assured is speedy and satisfactory settlement of the claim as well as a readiness of both Agent and Company to quickly provide information on various other kinds of needed protection or to point out unrecognized hazards which should be covered, at once.

*The Royal Exchange Group renders service which makes the agent valuable to the assured and helps build more business.*



Through Peace and Wars  
Since 1720

### Royal Exchange Group

ROYAL EXCHANGE ASSURANCE  
PROVIDENT FIRE INSURANCE CO.  
THE STATE ASSURANCE COMPANY, LTD.  
CAR & GENERAL INSURANCE CORP., LTD.

111 JOHN STREET, NEW YORK



Fire and Casualty Insurance Lines  
Fidelity and Surety Bonds

# The NATIONAL UNDERWRITER

Forty-fifth Year—No. 25

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, JUNE 19, 1941

\$4.00 Year, 20 Cents a Copy

## "Robin Moor" Case Not Affecting U. S. War Risk Rates

**Held Not Indicative  
of a Measurable  
Change in Hazard**

NEW YORK—Marine underwriters in this country have not raised rates as a result of the sinking of the "Robin Moor" but are disposed to take a "wait and see" attitude. They are not being stampeded into hasty action. Since there is a war hazard for which premiums are paid, it is to be expected that there will be some losses. Until there is more evidence than has been turned up to date that the situation has changed measurably, the underwriters are keeping the rates where they are.

The sinking of the "Robin Moor" may have been only an isolated instance. It may or may not indicate that the Axis has embarked on unrestricted submarine warfare against American ships carrying goods to ports of enemies of the Axis. Furthermore, even if the Axis were to adopt a policy of sinking ships on such voyages the risk of sinking might continue to be extremely slight because Germany and Italy found it better strategy to concentrate on shipping bound directly for the British Isles—voyages which are still forbidden to American ships by the neutrality act.

### Tension Now Less

News this week that all the remaining persons aboard the "Robin Moor" had been landed served to lessen the tension caused by the sinking. It was no thanks to the commander of the German submarine which sank the "Robin Moor" that the passengers were all picked up, but the fact that no American lives were lost greatly diminishes the practical importance of the incident. The United States government has obviously been exercising restraint in its handling of the sinking and since no lives were lost it becomes less likely that changes in diplomatic relations will take place which would alter the marine war risk situation.

Seizure of six Danish vessels by the United States government has made an actuality out of a possibility that marine underwriters have been considering for some time.

The government has not yet decided whether to insure these vessels or not. There is no doubt, however, that coverage would be available for the hulls in the American Hull Syndicate and for the cargoes in the cargo war risk exchange.

### Nazi Pressure Feared

One question that has arisen in connection with the insuring of Danish vessels or ships of other countries under Axis domination is the possible behavior of their crews if pressure were put upon them by means of Nazi threats against their relatives in the homeland. If

## Federal Study of Missouri Hearings

**Attorney-General Arnold  
May Use Record as  
Base for Action**

U. S. Attorney-general Thurman Arnold will study the record of the hearings being conducted by Attorney-general McKittrick of Missouri with the possibility that it may suggest some form of federal action against insurance companies.

This came out as the hearings were resumed in Chicago this week, but it was intimated by Arnold in Washington some days ago.

What sort of action Arnold has in mind as a possibility is not known. McKittrick's action is an ouster suit against fire companies concerned in the Missouri rate case settlement, and charges violation of the state anti-trust statutes.

### Interstate Commerce Angle

However, it is said that Arnold has been looking for a case in which he could get a decision resolving the question of whether or not insurance is in interstate commerce. His interest in this question may be one of the directions in which the federal government is feeling its way toward control of the insurance business.

It is possible that Arnold will examine the Missouri case record in the next few weeks and proceed without waiting for the end of the McKittrick hearings, if he finds what he is looking for.

### Chicago Hearings Resume

R. D. Hobbs, manager of the Western Actuarial Bureau, was on the stand for short periods Monday and Tuesday as McKittrick resumed his quiz. He was asked to produce files relating to the Missouri 16% percent phase of the rate case and marked "Subscribers Actuarial Committee," of which there are 15, and he agreed to do so. He assured McKittrick he was anxious to do all he could to help the hearings along, but that the amount of material asked for by the attorney-general made it difficult to find any time at all to do his own work. L. N. Bukstein, representative from the attorney-general's office, now is going through Mr. Hobbs' files again for additional material called for by the Missouri official.

(CONTINUED ON PAGE 25)

enough of the crew and officers were Nazi sympathizers or forced through threats to their kin to fall in line, it might be simple for them to take a vessel and her cargo into Germany's hands. However, experience with Danish vessels operating for England indicates that this danger has been exaggerated.

The Danish vessels taken over by the United States would very likely be commanded by American officers. It would probably be necessary to keep the Danish crews, as the ships are diesel-powered. It would be impracticable to put on an unseasoned crew, as the operation of diesel power requires greater skill and experience than steam, besides which there is a scarcity of men capable of operating marine diesel engines of the type found on the seized Danish ships.

## S. E. U. A. Holds 60th Annual Rally

**White Sulphur Gathering  
Draws Good Attendance  
—Cotton Group Meets**

### NEW OFFICERS ELECTED

President—Louis P. Jervey, vice president America Fore, Atlanta.  
Vice-president—Ashby E. Hill, vice-president Home.  
Secretary-manager—Lloyd T. Wheeler.

WHITE SULPHUR SPRINGS, W. VA.—The sixtieth annual gathering of the Southeastern Underwriters Association was held here this week. The executive committee was in session Monday.

On Tuesday there was a meeting of the Cotton Insurance Association.

Vice-president J. M. Waller of Aetna Fire and United States Manager Robert



J. M. WALLER

P. Barbour of Northern Assurance concluded their second year as president and vice-president, respectively, of the S.E.U.A. Vice-president Louis P. Jervey of America Fore concludes his second year as chairman of the executive committee.

In spite of the fact that there have been several insurance meetings recently, the attendance at this meeting was good and attests to the traditional popularity of S.E.U.A. meetings for many years past. In addition to the S.E.U.A. staff and the Atlanta managers of S.E.U.A. companies those seen at the Green Brier for the meeting include S. M. Buck, Charles F. Thomas, Esmond Ewing, J. M. Waller, Paul B. Sommers, Robert R. Clark, H. T. Cartledge, Henry P. Whitman, Harold F. Grant, Carroll L. Garnett, J. K. Hooker, B. C. Vitt, Ashby Hill, Herbert Taylor, Charles Jervey, Henry A. Yates, S. T. Maxwell, William Miller, Harry Smith, Ronald Martin, A. R. Phillips, John F. Gilliams, Archibald Kemp, Peter J. Berry, R. M. Anderson, F. A. Clark, E. A. Gilbert, R. P. Hare.

## Pink Permits New HOLC Plan to Be Used in N. Y.

**Gets Attorney General  
O. K.—Will Scrutinize  
Amounts Paid for Services**

NEW YORK—Attorney General Bennett, in a communication to Superintendent Pink of New York, has delivered the opinion that the amended agreement between the Home Owners Loan Corporation and the Stock Company Association complies with the New York laws. The attorney general some time ago held illegal the former SCA-HOLC contract which provided for the payment to HOLC of 25 percent of the premiums for services rendered. That opinion was a particularly heavy blow to the HOLC and Stock Company Association and those interests immediately went to work to prepare a new agreement that would meet with approval in New York. In the amended agreement that 25 percent provision is removed and there is merely a clause providing for the payment of indeterminate sums to the HOLC depending on the value of the services that are rendered by the HOLC which relieve the insurance companies of administrative detail.

Attorney General Bennett stated that the amended agreement of the HOLC substantially alters the form of and by its terms cancels the preexisting agreement. The new pact, he states, purports to insure primarily the insurable interests of the HOLC, whatever the legal status of the title to the property covers. Only the excess over such insurable interests is available to the owner or mortgagor. The insurable interest of the corporation is clearly defined as the amount owing to the corporation as mortgagee, etc., when the insurance is ordered; in form and substance it is a contract governing the insurance matters between the parties, and standing alone, presents no apparent violation of the insurance law. Under the so-called supplemental agreement to the amended agreement, the HOLC undertakes to perform certain definite and substantial services in connection with properties in which the HOLC has thus insured its own insurable interests. For these services the SCA agrees to pay the corporation monthly such sum as may be agreed upon by the HOLC and the SCA as reasonable for such service. This provision again standing alone would appear to be an unexceptionable contract under the insurance law.

He comes to the conclusion that in their newly proposed form the amended and the supplemental agreements do not on their face violate the provisions of the insurance law. He states, however, that the results of experience may indicate that the compensation paid pur-

(CONTINUED ON LAST PAGE)



## Farm Agents Have Duty They Should Discharge

LOUISVILLE—G. C. Cundiff of Chicago, associate manager of the farm department of Home of New York, Chicago, spoke this week before the annual meeting of the Kentucky Association of Insurance Agents.

Fire insurance is the only business in which the buyer absolutely fixes the price by his own act and in which the company having the service to sell extends a goodly portion of its income to educate the buyer to a course of conduct that will reduce the cost of his insurance, he said. It gives a financial incentive for him to reduce his cost.

Fire insurance differs from other lines of business for the premium that the insured pays becomes the property of the company only after it is earned from day to day or until the assured has a fire. The unearned premium must be set aside in order to be refunded in the event the assured is for any reason or for no reason at all dissatisfied with the policy and wishes to cancel.

### Essential to Business

He declared that as the companies represent one of the main supports of the entire business fabric of the country they must pursue an aggressive and progressive program in order to maintain through any and all fluctuations of business conditions the risk bearing service which has become so indispensable to the welfare of the American people.

The basic economic fundamental of insurance is under fire and as insurance should be the best guarantee for the perpetuation of democratic institutions people should do everything in their power to keep it sound and intact.

In order that the business as well as the agent may stand high in public estimation it must be conducted in such a manner as to create respect. This can only be accomplished, he said, by a liberal application on the part of the agent of integrity, education and publicity. He must understand his business and have great faith in it.

### Increasing Complexity

The insurance business has grown so complex that reliance must be the first watchword of every agent. The agents are the life blood of fire insurance. Since insurance is so vital a factor in the industrial economic and domestic life of the country nothing should be permitted in any way to jeopardize its welfare or existence.

Mr. Cundiff said that no investor living today can say when the railroad or the automobile may be scrapped for something better but the necessity for food goes on. The agriculturist, therefore, is a necessary factor to the well being of the people. Net farm income is greater than the total wages paid by all the manufacturing industries in the country and greater than the net income of all corporations.

### Agent is Key

In the writing of insurance on buildings and personal property on the farm, much depends, he said, upon the personal initiative and individual judgment of the agent. He is charged with the careful selection of the business and this selection is the hub on which is turning the entire structure of fire underwriting.

The farm departments of the companies are streamlining their policies and forms, he added, and will continue to do so in order to meet changing conditions. However, it is necessary to hold on to some of the tested fundamentals that have proved sound in order that the business may continue to build on a solid.

The coverage on farm property has been broadened, rates in a number of cases reduced and many credits are now being allowed in order to induce the

farmer to improve his risk and safeguard his property.

If the agents will make a careful inspection and analysis of each risk by personally visiting the farm before writing the insurance, have fire hazards removed, check into the moral hazard, refuse to write more insurance on buildings than their utility value to the farm warrants, take sufficient time to educate the farmer along fire prevention methods and make periodical visits to the farm during the life of the policy, following up the education program, it



G. C. CUNDIFF

won't be long until this kind of work will begin to reduce the loss ratio and enable further reduction in rate.

### Must Do a Good Job

If any agent is attempting to write in his office without inspection insurance on farm property, or in visiting the farm and only taking a field glass inspection of the buildings, having the farmer sign on the dotted line for whatever insurance he asks, he is not contributing toward a reduction in the losses or rates.

Where farm business is written by agents in their office, agents or mutual companies have absorbed most of it in the territory, he has observed.

In this day of unhealthy boom all should remember the last boom and the depression that followed. During those boom days the farmers overbuilt and overspent. When the crash came they found themselves with more buildings than needed and with policies for

## Kentucky Agents Are Holding Rally

LOUISVILLE—One of its most successful conventions is being held here by the Kentucky Association of Insurance Agents Thursday and Friday. Attendance is large, and the educational program consists of an exceptional list of speakers.

A substantial increase in membership and the best financial condition in association history was reported by President S. Roy Woodall.

Mr. Woodall touched on a number of subjects in his report, but he emphasized particularly the problem created by companies that appoint persons not legitimate insurance agents. He pointed out that some companies have appointed managers or other employees of finance companies in order to secure a volume of premiums "at the expense of their legitimate agents." Some companies have licensed officials of bank associations to secure bankers blanket bond business, and some have even licensed contractors to get surety and casualty business.

Mr. Woodall said he believed that companies that follow such practices do not deserve the support of members of the Kentucky association.



S. Roy Woodall

amounts based on boom prices. Then the loss ratio began to climb.

Mr. Cundiff pointed out that the agents should help the sons and daughters of the farmers of today to prepare them to carry on the reconstruction work of their communities after the great tragedy that is taking place is over.

"You are salesmen and in selling you should work for a constantly higher standing," Mr. Cundiff observed. "We do not have a blueprint of the future but should strive to cut a way into it under such light as we have and look upon the business not necessarily as a profit machine but as a clearing house for the service of the people. We need to have faith in our ability, faith in our business, faith in our country and the things for which it stands."

### Strength Behind Ill. Bill

Insurance men are watching closely a valued policy bill in the Illinois legislature. While this is perennial legislation that comes up in almost every session, because of the political situation in the state this session, the bill has more strength behind it than usual.

## Auto Men Ponder Production Curbs

### Fire and Theft Sales Are Sky High: Curtailment Will Cut Premium Volume

In spite of automobile production being at a 15-year high, automobile underwriters realize that much of this is due to the approaching curtailment of passenger automobile manufacturing and they are looking ahead a few months to when defense priority will cut production anywhere up to 50 percent. Manufacturers have been ordered to make a 20 percent cut in August when they start on 1942 models and from the agitation in some quarters in Washington it looks as if they will be ordered to cut production in half by next year.

Thus far this year sales on fire and theft policies have gone sky high and will probably continue to do so until the entire market of new automobiles has been sold out. Liability sales are up somewhat, but property damage and liability never rise as fast as fire and theft.

### Predict Premium Volume Drop

Automobile underwriters predict that when the new automobile market is sold out and the pinch of curtailed production is felt, premium volume will take a decided drop. This drop will be offset somewhat, they contend, because people will realize the shortage of new cars and replacement parts and will be more careful, thus showing a better experience record for the companies on fire, theft and collision. This will be especially true in the finance automobile field, for regulations will be tightened substantially.

It may be the cure to the bad arson situation in some of the southern states for dealers in order to fill a quota have oversold and overfinanced their stock. By so doing dealers sell to irresponsible purchasers who after the first or second payment bog down and discover they cannot keep up payments. Pressure is brought to bear by the dealer and the purchaser burns his car in the hope of recovering on the loss from his insurer.

In the past year the property damage experience record has taken a turn for the worse. Underwriters blame increased automobile travel and heavier commercial traffic which result from demands of the national defense program. If "gasless" Sundays are instituted and gasoline and oil are rationed, it is felt the experience record may improve.

### Elected S.E.U.A. Head at White Sulphur Rally



LOUIS P. JERVEY

## THIS WEEK IN INSURANCE

"Robin Moor" sinking leaves war risk rates unaffected. **Page 1**

New York attorney general gives approval to the amended form of agreement between the Home Owners Loan Corporation and the Stock Company Association. **Page 1**

Annual meeting of Southeastern Underwriters Association is held at White Sulphur Springs, W. Va. **Page 1**

U. S. attorney general will study record in Missouri case for possible federal action. **Page 1**

Mid-year meeting of National Association of Insurance Agents will be held at Augusta, Ga., next April. **Page 4**

Aviation premiums last year amounted to \$4,792,485, a new high, exceeding by \$300,000 the 1939 record. **Page 3**

Pacific Board announces extensive changes in rules and rates. **Page 3**

G. C. Cundiff of Chicago, assistant farm department manager of the Home, speaks before the Kentucky local agents at Louisville. **Page 2**

A. R. Monroe of Indianapolis, former president Newark Fire, is dead. **Page 13**

Charles R. Miller is elected chairman and Frank A. Bach president of Fidelity & Deposit following the death of W. B. Lowndes, Sr. **Page 15**

Insurance commissioners exhibit a determined spirit to do something about the problem of non-admitted insurance. **Page 15**

Sentiment is said to be developing in Washington in favor of a return to the principle of fixed amount contracts rather than the cost plus a fixed fee system. **Page 15**

Survey of accident and health complaints filed with insurance departments to be made by Health & Accident Underwriters Conference. **Page 15**

Hearing held on Massachusetts compulsory compensation bill sought as alternative to labor's monopolistic state fund bill. **Page 17**

Important meetings of producers and company representatives are held in New York on the graded expense question. **Page 17**



# Aviation Premiums for 1940 Were \$4,792,485

NEW YORK — Aviation insurance premiums written in 1940 reached a new high of \$4,792,485, exceeding by almost \$300,000 the 1939 figure, according to statistics just filed with the New York insurance department by the Board of Aviation Underwriters, the official aircraft rating organization. The figure for 1939 was \$4,504,958; for 1938, \$3,270,763 and for 1937, the first year for which figures are given, \$2,811,061.

The Board of Aviation Underwriters is made up of the three aviation underwriting pools, Aero Insurance Underwriters, Associated Aviation Underwriters, and United States Aviation Underwriters, and the Employers Liability group's aviation department. While the board governs rates only on New York business the statistics represent the countrywide experience of its members.

## Hull Coverages Dominate

More than half the premiums written in each of the last four years are for hull coverages, with passenger liability running next in importance and public liability and property damage trailing a considerable distance behind. Out of last year's total, hull coverages produced \$3,129,439 in premiums; passenger liability, \$1,069,176; public liability \$309,515; and property damage \$284,355.

Premiums from scheduled airlines accounted for the largest share of premiums in the hull coverage classification last year and in passenger liability as well. Flying services accounted for \$149,597 of the year's total of \$309,515 public liability premiums. The premiums from flying services represented almost a 100 percent increase over 1939, probably due to the insurance requirements of the civilian pilot training program. Private pleasure planes boosted hull coverage premiums in this classification by more than 50 percent over 1939. There was a jump in the private pleasure classification in passenger liability, public liability and property damage, though the rise was less marked than for hull risks.

bility, public liability and property damage, though the rise was less marked than for hull risks.

## Table Analyzes Experience

The accompanying tables give the breakdown of the experience by years and by classifications. The experience is based on policy years, hence the loss ratio for 1940 is disproportionately low. This is due to the fact that the written premiums include all policies having the policy year 1940 but these policies would have been in force on the average only six months by Dec. 31, 1940. The loss ratios are based on incurred losses, including expense, (but not including loss reserves) as compared with net premiums written during the year. This circumstance also affects the validity of the average loss ratios for the four years.

It will be noted that the 1940 hull premiums and losses are incompatible with figures taken from the annual statements filed with the insurance departments and published in THE NATIONAL UNDERWRITER of March 6, 1941. Since publication of these figures it has been found that companies writing aviation insurance differ widely as to the system in entering their aviation figures in the annual statement, some companies including in the "aircraft" item in the convention blank only such incidental coverage as damage to buildings by falling aircraft.

It is not possible to break down the premiums and losses by companies or even by aviation underwriting organizations. As a matter of fact, not even the aviation underwriters themselves know what competing groups are doing. Each underwriting group turns its figures in to the official accounting firm which compiles the figures, and holds each company's information confidential.

The tabulation, which is on a nationwide basis, relates to direct business only.

## TOTAL HULL RISKS

### Scheduled Air Lines

Policy Year	Net Pems. Written	Incurred Losses Inc. Expense	Paid Losses Inc. Expense	Loss Res. Dec. 31, 1940	Loss Ratio	Number of Claims
1937	\$ 568,258	\$ 102,216	\$ 102,216	.....	17.99	23
1938	550,204	324,017	324,017	.....	58.89	27
1939	1,060,241	234,286	183,995	\$ 50,292	22.10	33
1940	1,122,429	163,764	128,413	35,351	14.59	21
Total	\$3,301,132	\$ 824,283	\$ 738,640	\$ 85,643	24.97	104

### Industrial Aid Risks

Policy Year	Net Pems. Written	Incurred Losses Inc. Expense	Paid Losses Inc. Expense	Loss Res. Dec. 31, 1940	Loss Ratio	Number of Claims
1937	\$ 158,254	\$ 60,010	\$ 60,010	.....	37.90	12
1938	186,717	38,116	37,766	\$ 350	20.41	21
1939	174,318	100,334	96,334	4,000	57.56	26
1940	151,788	23,688	7,313	16,375	15.61	21
Total	\$ 671,177	\$ 222,148	\$ 201,423	\$ 20,725	33.10	80

### Flying Services

Policy Year	Net Pems. Written	Incurred Losses Inc. Expense	Paid Losses Inc. Expense	Loss Res. Dec. 31, 1940	Loss Ratio	Number of Claims
1937	\$ 205,767	\$ 197,189	\$ 197,189	.....	95.83	114
1938	198,746	95,934	95,934	.....	48.27	153
1939	316,982	195,579	190,037	\$ 5,542	61.70	355
1940	781,905	344,596	254,959	89,637	44.07	799
Total	\$1,503,399	\$ 833,298	\$ 738,119	\$ 95,179	55.43	1,421

(CONTINUED ON PAGE 32)

## Heads Commissioners Steering Committee



C. F. J. HARRINGTON

C. F. J. Harrington of Massachusetts is the new chairman of the executive committee of the National Association of Insurance Commissioners. Mr. Harrington has taken his place among the leaders in the organization and he makes his influence felt throughout the proceedings.

## Shallcross, McCain, Haines, Berry New Committee Heads

NEW YORK — Members of the standing committees of the National Board for the new year have been announced by President R. P. Barbour. The committee chairmen are: Actuarial, R. R. Martin, Atlas; adjustments, J. K. Hooker, Automobile; construction of buildings, J. F. Gilliams, Camden; finance, G. C. Long, Jr., Phoenix of Hartford; fire prevention and engineering standards, C. F. Shallcross, North British; incendiaryism and arson, W. Ross McCain, Aetna Fire; laws, O. E. Lane, Fire Association; maps, P. J. Berry, Security of New Haven; membership, J. M. Haines, Phoenix of London; public relations, conference with other insurance companies, L. E. Falls, American; statistics and origin of fires, O. L. Brooks, Globe & Rutgers; uniform accounting, E. W. Nourse, London.

The new chairmen are Messrs. Shallcross, McCain, Berry and Haines.

The executive committee will elect its new chairman June 26.

## District Meeting at East Liverpool

A district meeting of the Ohio Association of Insurance Agents will be held June 20 at East Liverpool. Speakers will be Superintendent Lloyd and V. G. Martin, secretary of the association.

## Extensive Changes by Pacific Board

### Ask Agents to Report Direct—Rules and Rates Revised

The Pacific Board has bulletined members, requesting that all agents mail daily reports, endorsements, and cancelled policies direct to board district offices rather than to the company offices. The objective is to reduce delay in examination and expedite approval.

A new rule requires that a policy which has been renewed some time during the 60 days prior to expiration, as permitted under the former rules, must be endorsed to a new rate, if the rate is increased prior to the date the new policy takes effect.

### May Include Inherent Explosion

Inherent explosion may now be included in any fire policy; whereas, formerly only certain specified classes of risks were eligible for this limited explosion coverage. A schedule of tariff rates for inherent explosion on all classes of risks, based on the rates for simple explosion coverage, is now provided.

Rates are now provided for floater policies covering in Alaska.

The rule permitting pro rata reduction of insurance up to 50 percent of the maximum amount that has at any time applied under the policy, has been clarified and specifically excludes from its application provisional reporting form policies.

The rule for the application of published general contents rate of a specifically rated building now lists several commodities which are exceptions and which must take tariff rating.

### Extend U & O Cover

The use of the gross earnings—business interruption Form G (Standard Form 570-L, Jan., 1939 printing) is now extended to non-manufacturing risks. Formerly the use of this form was confined to mercantile risks.

Of considerable importance to lumber risks having insufficient kiln drying facilities to meet requirements of remanufacturing units and, therefore, having to rely on lumber dried in yards before being planed, etc., is a new rule, permitting a change in the definition of "stock in process" on average clause Form A, or on weekly forms B or C. The amendment permits lumber and timber products to be considered as raw stock, as defined in the form, insofar as the remanufacturing units are concerned, these units ordinarily being box factory, planing mill, etc. This relieves the restriction in the U. & O. forms, which gives coverage on stock in process for not exceeding 30 consecutive days without additional cost. This improvement has been sought for some little time by lumber interests.

The form for insuring fixed and addi-

(CONTINUED ON PAGE 32)



GLIMPSES AT INSURANCE COMMISSIONERS CONVENTION IN DETROIT:

C. E. Ryan, chief examiner New York insurance department; Harry Poore, Knoxville attorney; Roy L. Davis, Association of Casualty & Surety Executives, Chicago; William Wickham, Standard Accident; J. T. Hammond, Benton Harbor, chairman Michigan senate insurance committee; J. M. Eaton, assistant general manager, and A. V. Gruhn, general manager, American Mutual Alliance. Pictures by H. H. Fuller, deputy U. S. manager of Zurich.

## New Freezing Order Affects Insurers

The branches of Swiss, Swedish and Italian insurance companies operating in the United States are affected by the federal government's most recent "freezing" order as applied to a number of additional European countries. The restrictions on these branches are not onerous or inconvenient. Already considerable experience has been obtained under the restrictions by branches of French, Dutch, Danish and Norwegian companies. Under the regulations, these U. S. branches must obtain a treasury license, issuable by the federal reserve, to remit any funds to the home office. This is in a sense a duplication of the restrictions already in existence and which require a U. S. branch to get the permission of the New York insurance department to remit abroad.

In addition the U. S. branch must periodically obtain a treasury license for its disbursements for losses, salaries and other expenses in this country. These licenses are issued automatically and impose no hardship on the company affected. The U. S. branch furnishes the federal reserve with a list of the banks with which it does business and the federal reserve in turn notifies these banks that the treasury license has been issued.

The companies affected by the most recent freezing order include Zurich, Accident & Casualty of Switzerland, Swiss Reinsurance, Switzerland General, General of Italy, Skandia, the fire insurance company of Stockholm, and Svea of Sweden.

General of Italy has been reinsuring all of its business in this country since the first of the year, apparently in the expectation of the situation that has now developed. The reinsurers are understood to be Quaker City Fire & Marine, American Reserve and Reinsurance Corporation of New York. The U. S. branch of General has assets over and beyond liabilities of about \$1,500,000, which is tied up in a trust account by the New York department and there is about \$100,000 that is similarly held by the Ohio department.

Because of the new turn of events, the New York department has stated that the business of General will probably not be taken over by a proposed new American organization, Atlantic General. Notice of intention to form this corporation of \$500,000 capital, using the assets of General of Italy, was given May 6. The New York department refuses to release the fund for the purpose of organizing an American company. Dr. Ignazio Hornik is United States attorney and vice-president of General and William A. Raleigh is assistant manager.

General also had as managers of its marine business, S. D. McComb & Co., and of its reinsurance business, Seibels, Bruce & Co. of Columbia, S. C. Direct fire and automobile business which had been under the management of Mather & Co. of Philadelphia was discontinued as at Dec. 31, 1940. As of May 31, Seibels, Bruce & Co. reinsured its business and S. D. McComb & Co. took the same course.

As of Dec. 31, the U. S. branch of General had assets of \$3,284,010 and premium reserve of \$1,078,747. Funds trusted with the Guaranty Trust Company of New York and deposited with the insurance departments amounted to \$2,716,787. In 1940, General wrote premiums of \$778,887 on fire, \$421,571 on ocean marine and about \$350,000 on subsidiary lines.

The annual outing of the **Firemen's group** was held Wednesday at Palisades Park as guests of President John R. Cooney. About 2,500 attended. About 250 members of the New York and Brooklyn branch offices took part in the festivities for the first time. A caravan of buses transported those who did not drive their own cars.



### AT DETROIT MEETING OF COMMISSIONERS:

Top—Paul F. Jones, Illinois insurance director; Ray B. Lucas, Missouri insurance superintendent; John B. Contrum, Maryland commissioner.

Below—W. L. Baldwin, president Security Life & Accident; Ralph F. Apodaca, New Mexico insurance superintendent; Antonio Carillo Flores, Mexico insurance commissioner, and Delbert Asbury, Detroit. Pictures by H. H. Fuller, deputy U. S. manager of Zurich.

## E. C. Fox, Noted Figure on Coast, Is Retiring

SAN FRANCISCO—E. C. Fox, co-manager of Cravens, Dargan & Fox at San Francisco since 1934 and previously for 13 years Pacific Coast manager of Fred S. James & Co., retires June 30 after a successful career of 49 years in the business. He entered the business in Topeka in 1892 with the Kansas Rating Bureau. Later he was connected with the bureau in Iowa, returning to Kansas after reestablishment of that bureau. Later he became special agent of Liverpool & London & Globe in Kansas, Indian and Oklahoma territories, followed by service with Citizens in the same territory and Colorado, Wyoming and New Mexico.

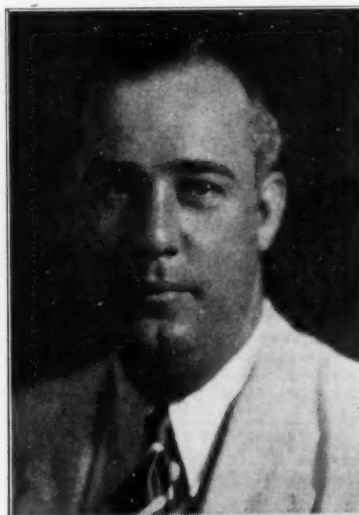
After several years field work with North British he went to the New York office of that company and in 1916 was named assistant general agent for the western department. He came to San Francisco in 1921 for Fred S. James & Co., and has been an outstanding and popular figure in general agency circles, serving as president of the California Association of Insurance General Agents. He has also been active in the affairs of the Pacific Board, gaining a reputation for kindness and understanding.

In announcing his retirement Mr. Fox says: "Merely changing jobs this time to be mentor for my five grandchildren."

### New Ruling on Shipyard Cranes

The joint committee on interpretation and complaint has issued a new ruling on the subject of cranes in shipyards. This amends the bulletin on the same subject dated April 14, 1941. Bridge cranes, Gantry cranes, whirling cantilever cranes, hammerhead cranes and other cranes on stationary cranesways or fixed bases used in connection with shipyards, may be covered under a marine form excluding the risks of fire, tornado, sprinkler leakage, hail, explosion, earthquake, riot and civil commotion. Railroad cranes or cranes operated on caterpillar tracks may be covered by a marine form.

## Many Times a Bridesmaid But Now Becomes a Bride



SCOTT NIXON

Scott Nixon, local agent of Augusta, Ga., who for many years has endeavored to secure the mid-year meeting of the National Association of Insurance Agents for his city, at last succeeds in his enterprise inasmuch as the officers and directors have decided to hold the 1942 meeting in Augusta, April 13-16. The local host will be the Augusta Board of which Mr. Nixon is president. The convention headquarters will be in the Bon-Air Hotel. Headquarters of the Georgia association will be at the Part-ridge Inn. The meeting will immediately follow the nationally famous "Masters Golf Tournament" staged each year at Augusta. Since the tournament closes on April 12, it is likely that many of the golf enthusiasts among insurance men will plan to attend both events.

Mr. Nixon always got out some cards in extending an invitation at national conventions. At one of the meetings he began to wail and headed his card, "Often a Bridesmaid but Never a

## Md. Agents Card Is Completed

The complete program for the summer meeting of the Maryland Association of Insurance Agents June 26-28 at Ocean City is now announced.

The evening of June 26 there will be a pre-convention dance and moving picture.

The next morning the convention will be opened by Mrs. Laura D. Baker, vice-president of the association. President Guy T. Warfield, Jr., will speak, and then there will be these addresses: "Current Trends in Inland Marine Insurance," Robert Wallace, Chubb & Son, New York; "Is Successful Selling an Accident," H. Pierce North, assistant director Business Development Office; "Office Management and Control," Oscar Beling, Royal-Liverpool; "Woman's Place in the Insurance Business," Miss Sophia Bliven, director of the women's division of Penn Mutual Life.

### Plan Three Open Forums

That afternoon there will be three open forums: Forum I, Insurance department, conducted by John B. Contrum, insurance commissioner, and Hazelton A. Joyce, deputy commissioner; forum II, Comprehensive liability insurance, conducted by Frank S. Potter, field supervisor Aetna Casualty; forum III, Middle department, conducted by Carlyle H. Hill, manager, middle Department Rating Association, assisted by John F. Kell and C. Norman Dorphley.

At the banquet that evening past President Joseph D. Lazenby will be toastmaster. Greetings will be extended by Governor O'Connor of Maryland.

The next morning there will be a closed business meeting.

## Building Collapses, Pumping Station Explodes in K. C.

KANSAS CITY—A 5-story brick building of the Empire Storage & Ice Co. here collapsed with loss estimated at \$50,000. The building contained 36,000 bushels of government stored corn, and spontaneous combustion may have caused the collapse. There was no fire, and fire department officials say they have found no evidence of an explosion. Fire and extended coverage was carried on the building, \$55,000 on building and \$27,000 on contents.

The storage company had an explosion in 1936 which caused \$200,000 damage, another in 1933 with loss of \$17,500.

In Kansas City, Kan., an explosion wrecked the \$10,000 Fairfax drainage district pumping station. The explosion apparently resulted from sewer gas.

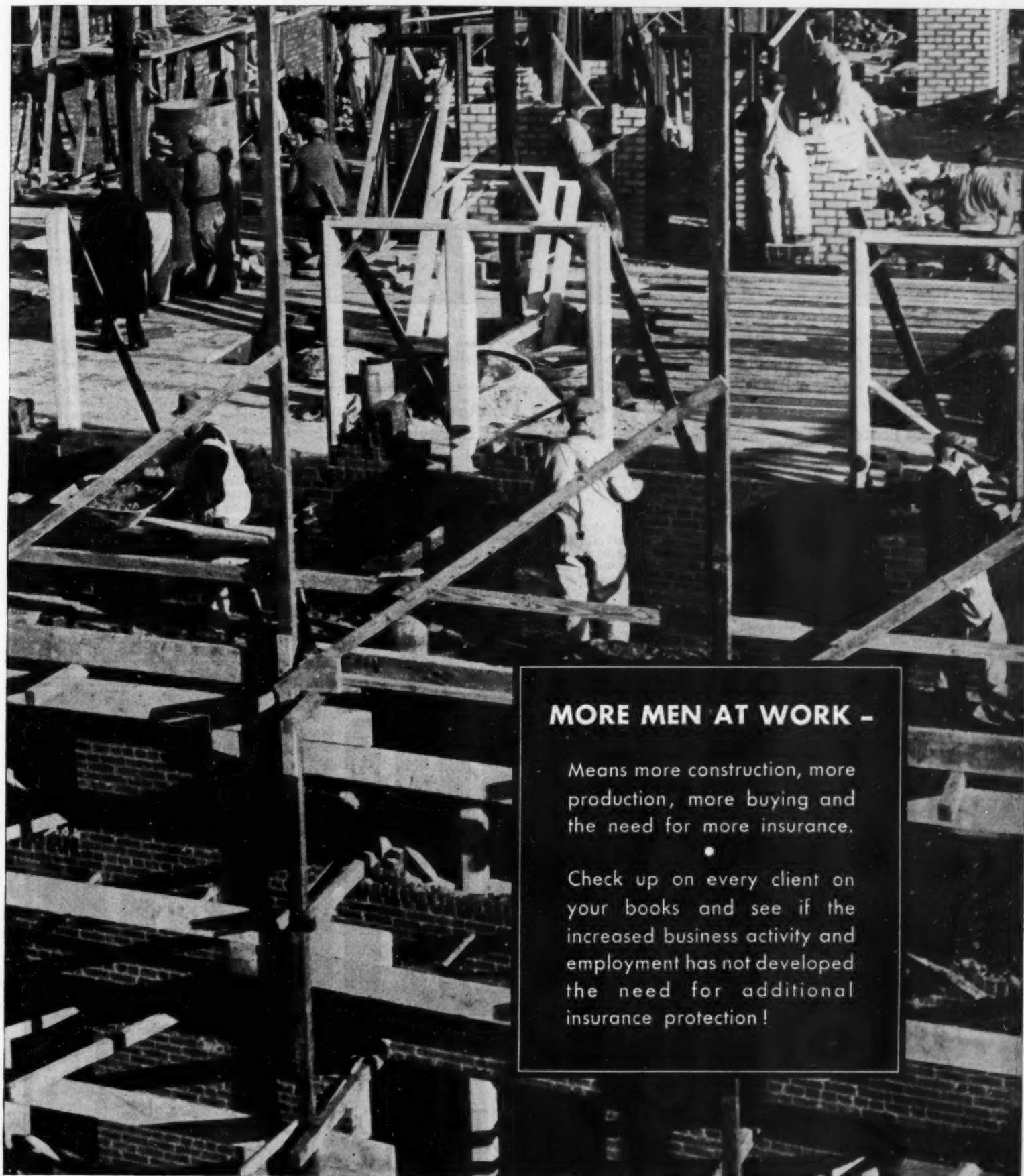
## McGovern's Insurance Equities Are Enumerated

Patrick McGovern, who died a few months ago at the age of 94, and was the largest single stockholder of Travelers, left an estate of \$5,424,543, according to a document filed in probate court in Hartford. The inventory includes 6,730 shares of Travelers, noted at \$2,591,050; 70,810 shares of Aetna Life noted at \$1,779,101; 880 shares Aetna Casualty, \$108,240; 830 shares Aetna Fire, \$43,160; 610 shares Automobile of Hartford, \$23,180; 2,225 shares of Connecticut General Life, \$56,737; 300 shares Hartford Fire, \$25,200; 3,045 shares Hartford Steam Boiler, \$167,475; 100 shares National Fire, \$5,900; 260 shares Phoenix of Hartford, \$21,970.

Bride." Mr. Nixon, therefore, now is receiving congratulations and there are a number of enthusiasts who are seeking the position of best man, usher, bridesmaid, etc.

Read **Manufacturer & Insurance** by L. S. Meyers to increase your sales. Send \$3 for copy to National Underwriter.





### MORE MEN AT WORK -

Means more construction, more production, more buying and the need for more insurance.

Check up on every client on your books and see if the increased business activity and employment has not developed the need for additional insurance protection!

### America Fore Insurance

THE CONTINENTAL INSURANCE COMPANY  
FIDELITY-PHENIX FIRE INSURANCE COMPANY  
AMERICAN EAGLE FIRE INSURANCE COMPANY  
FIRST AMERICAN FIRE INSURANCE COMPANY

*Eighty Maiden Lane,*



### and Indemnity Group

NIAGARA FIRE INSURANCE COMPANY  
MARYLAND INSURANCE COMPANY OF DELAWARE  
THE FIDELITY AND CASUALTY COMPANY

BERNARD M. CULVER, President  
FRANK A. CHRISTENSEN, Vice-President

*New York, N.Y.*

CHICAGO

SAN FRANCISCO

NEW YORK

ATLANTA

MONTREAL



WHEN FLASH BULB WENT OFF AT COMMISSIONERS CONVENTION:

Roy B. Rummage, Arizona commissioner; James Beha, New York City attorney; Henry Moser, Chicago attorney; Eugene P. Berry, Michigan commissioner, and Charles R. Fischer, Iowa commissioner. Pictures by H. H. Fuller, deputy U. S. manager of Zurich.

### Engineers Eligible for War Department Posts

Investigators of large industrial installations for fire or indemnity companies are listed among those eligible to take the civil service examination for inspectors jobs with the plant protection inspection service just organized by the war department. Among others eligible are fire marshals or inspectors of large city fire departments, safety directors in large commercial establishments, technical safety engineers or consultants and plant engineers with responsibilities for safety programs. The positions pay from \$2,900 to \$4,600 a year. Full information and application forms can be obtained from first or second-class post

offices or from the Civil Service Commission in Washington.

The inspectors will operate in all of the army's 21 procurement districts and will be assigned a variety of duties. They will inspect facilities in military and industrial plants, arsenals and utilities serving them to determine the efficacy of their protection. They will work on matters of fire protection and control and the protection of life and property against industrial hazards and willful destruction, and will consult with federal, state and local law enforcement agencies as well as military authorities.

The Insurance Check Chart helps to detect hazards. Get a copy for 75 cents from National Underwriter.



### Fla. Agents Give Premiere of H. E. Taylor's Song

Harold E. Taylor, sales promotion manager of American, composed a song about Florida, "Land o' the Sun," which is being presented for the first time at the banquet Thursday evening of this week during the convention of the Florida Association of Insurance Agents. The words and music have been printed in an attractive folder and the Florida group will be able to introduce the song with great gusto at the banquet. Mr. Taylor, who is accomplished in this direction, occasionally turns out a composition for insurance gatherings which always makes a hit.

### May Fire Losses Up 9% from Same Month of '40

NEW YORK—The country's fire losses in May, the National Board estimates, totaled \$25,637,000, a decrease of 13 percent from those of the previous month, but greater by 9 percent than in May last year.

Including the May figures the losses in the first five months of 1941 amounted to \$139,010,000, compared with \$150,563,480 last year, and \$141,694,226 for 1939.

The record by months in each of the three years follows:

Jan.	\$ 27,615,316	\$ 36,260,650	\$ 26,470,000
Feb.	29,303,520	34,410,250	26,102,000
Mar.	30,682,168	29,788,800	31,471,000
Apr.	27,061,522	26,657,190	29,330,000
May	27,031,700	23,446,590	25,637,000

Tot. \$141,694,226 \$150,563,480 \$139,010,000

### Aircraft Mutual Is Chartered

Aircraft Mutual Insurance Company has just received its charter from the Connecticut legislature. The principal factor in the organization is S. Morgan Barber, Jr. of the Morgan Barber & Co. agency of Bridgeport, Conn. Mr. Barber has been a pilot for the past 12 years and does considerable commercial flying. He started business with United States Aviation Underwriters in 1930 and has been active in both the aviation and the insurance business ever since.

The principal aim of the new company in the aircraft field will be to bring a limited form of all-risk hull coverage within reach of the average airplane owner.

### Rearick Now Assistant Secretary

Walter R. Rearick has been made assistant secretary of Travelers Fire and Charter Oak Fire. Heretofore, he has been superintendent of fire accounting. He is succeeded in that position by Charles R. Burr.

# REINSURANCE

**FIRE and**

**ALLIED LINES**



**INTER-OCEAN  
REINSURANCE  
COMPANY**

**CEDAR RAPIDS, IOWA**

**NEW YORK 90 JOHN ST.**

**LOS ANGELES 215 W. 7th ST.**

**SAN FRANCISCO 114 SANSOME ST.**



## NEWS OF FIELD MEN

### Three Kentucky Field Groups Elect

The combined meeting of the Kentucky Blue Goose, Kentucky Fire Prevention Association, Kentucky Fire Underwriters Association, and Field Men's Speakers Bureau made quite a session at Mammoth Cave.

Emerson Hill, Aetna, was elected most loyal gander of the Blue Goose to succeed I. J. Holmgren, St. Paul. G. B. Akin, Royal Exchange, continues as supervisor; John Holmes, Pacific National, is custodian; S. E. Holland, Fidelity-Phoenix, guardian; C. E. Fieldhouse, Home, keeper, and W. E. Kingsley, Travelers, welder.

Pond officials wired "good luck" to two members now in service: Russell Gordon, Fireman's Fund, at Spartanburg, N. C., and C. B. Tarter, state agent farm department of Franklin Fire, now a lieutenant in the quartermasters department, Randolph Field, near San Antonio.

T. J. Nicol, Aetna Fire, was elected president of the fire prevention group. Other officers are E. W. Short, Great American, vice-president, and E. A. Parsons, Standard of New York, who was reelected secretary.

D. P. Vandivier, supervisor of the department of fire prevention and rates for the Kentucky insurance department, discussed fire prevention, fire school work and British fire prevention methods under war conditions at the fire prevention session.

F. R. Macpherson, New Hampshire, retiring president of the fire prevention group, was elected president of the speakers bureau. E. C. Hill, farm department of Aetna Fire, is vice-president, and Mr. Akin secretary. The speakers bureau is a well organized effort to get speakers before civic and business organizations throughout the state, develop the sales skit idea, and sponsor insurance schools in the state with members of the bureau as instructors.

The Kentucky Fire Underwriters Association held its semi-annual meeting in conjunction with the other field groups. G. A. Snider, First Bancredit, Cincinnati, and E. L. Stephenson, Associated Aviation Underwriters, Chicago, spoke.

### Hold Seattle Outing June 27

SEATTLE—The Seattle Blue Goose will hold its annual meeting and outing June 27 at the Inglewood Country Club.

Following a business meeting in the morning the afternoon will be given over to two golf tournaments. The British Columbia 12-man golf team will be guests of Seattle pond, and will meet the Seattle golfers in competition for the A. Z. DeLong Memorial Cup. At the same time, Seattle pond will vie for possession of the Lee McKenzie Cup in their annual handicap event. H. O. Price, Gould & Gould, is in charge of arrangements.

A social hour will begin at 6 o'clock. Ganders whose birthdays fall in July and August will be hosts to the Seattle and British Columbia pond members. The annual good-fellowship banquet will follow, at which golf prizes will be awarded.

### Bugli Is Indiana Speaker

Ralph W. Bugli, advertising manager of London Assurance, will speak at the annual meeting of the Indiana Fire Underwriters Association at Lake Wawasee, July 1-2, on "The Door with a Hundred Keys," following the presidential address by R. C. Walker, Liverpool & London & Globe.

Sports and bridge will occupy Tuesday afternoon and prizes will be awarded at the dinner in the evening. There will be a soft ball game between two selected teams.

### Frayser, Jefferson Elected in Virginia

VIRGINIA BEACH, VA.—Lawrence P. Frayser, New York Underwriters, was elected president of the Stock Fire Field Club of Virginia at its annual meeting here. He succeeds R. C. Rice, Phoenix Assurance. M. C. Speight, Globe & Rutgers, was named vice-president, and A. C. Word, Louis E. English general agency, Richmond, continues as secretary-treasurer. New executive committeemen are Mr. Rice, T. H. DeGraffenreid, North British & Mercantile; H. M. Gibbons, Home of New York; O. B. Roberts, Hartford; E. H. Stover, Aetna; W. P. Hundley, Firemen's; R. B. Davis, Northern of London; E. R. Dobbins, Fidelity-Phoenix.

### Jefferson Heads Blue Goose

The Virginia Blue Goose also held its annual meeting and elected George G. Jefferson, Yorkshire, most loyal gander; W. H. Davidson, Fire Companies Adjustment Bureau, supervisor; C. R. Hudgins, Rhode Island, custodian; F. D.

Young, Old Dominion Adjustment Bureau, guardian; J. A. Speer, National Board, keeper. The welder will be appointed.

The field club now has 94 active members, a new high, President Rice reported. No agency was reported during the year as being in violation of the club's mutual rule. He predicted that the personal property floater will be approved in Virginia soon. Three bills of importance are to be presented to the general assembly in 1942: An agents' qualification law, elimination of deviation of rates and a financial responsibility law.

M. C. Speight carried off first honors in the golf tourney. Other prizes were won by M. C. Jenkins, World Fire & Marine; W. G. Puller, Jr., Firemen's; J. W. Hosier, Jr., Atlas; W. P. Hundley, Firemen's.

### R. W. Martin Now Heads Chesapeake Pond

At the annual meeting of the Chesapeake Blue Goose held at the Beaver Dam Country Club, Washington, D. C., the following officers were elected:

Robert W. Martin, National Union Fire, most loyal gander; Roland Klebart, Factory Association, supervisor; William K. Crosby, Fireman's Fund,

custodian; F. Adison Fowler, Central of Baltimore, guardian; J. Robert Graham, Fire Companies Adjustment Bureau, keeper; K. V. Robbins, Home, reelected welder.

The meeting was preceded by dinner, and during the afternoon a number of the members played golf in the "Hoodoo" Day Tournament, which had been arranged, in spite of inclement weather.

### Browne Is New Head of Georgia Blue Goose

N. B. Browne, Jr., state agent of Agricultural, was elected most loyal gander of Georgia Blue Goose at the annual meeting in Atlanta. Other officers are: Supervisor, W. E. Stroud, Aetna Fire; custodian, G. F. Price, Southeastern Underwriters Association; keeper, R. K. Hendee, Commercial Union; welder, J. W. Morris, Jr., S.E.U.A.

Three goslings were initiated: Joseph McCrory, Royal-Liverpool groups; W. C. Slade, assistant manager Georgia Inspection & Rating Bureau; Joseph Davis of Otis A. Murphey Co., adjusters. Harry Cane, Fire Companies Adjustment Bureau, a member of Mississippi pond, signified desire to transfer to the Georgia pond.

Memorials were read for W. F. Dun-



ANY DOUBTS?

Never keep a man guessing about his insurance. Use The Employers' Group Analysis Plan. It's a professional way of presenting your story. You give your client all the information he needs — his coverages, limits, premiums and expiration dates — complete in an attractive personal portfolio. You show him what insurance he has and what he should have — based upon your analysis of his needs.

Our monthly magazine "The Pioneer" contains many interesting articles showing how effectively the analysis plan works. Send for a copy now of the current issue. Write to The Employers' Group Publicity Dept., 110 Milk St., Boston.

*The Employers' Group...*



bar and L. C. Miller, members who died, by Clarence Ruse, chairman memorial committee. A donation was voted to the United Service Organizations, and funds appropriated to the grand nest to apply on purchase of a mobile unit for Britain; funds to apply on the co-host entertainment to be furnished at the grand nest meeting by southern ponds. A dinner followed, with J. M. Harrison, Royal-Liverpool, as toastmaster.

### Carolinas Pond Elects Fuller as New Chief

M. L. Fuller, Atlantic Fire special agent, Raleigh, was elected most loyal gander at the annual meeting of the Carolinas Blue Goose in Charlotte. Other new officers are: Supervisor, W. W. Philbrick, South Carolina Inspection & Rating Bureau, Columbia; custodian, J. E. Smith, Aetna, Charlotte; guardian, M. H. McCown, Automobile, Greensboro; keeper, J. W. Bailey, Phoenix, Raleigh; welder, J. F. Satterlee, Atlas, Columbia, reelected.

Plans for the grand nest meeting in Asheville were discussed. W. C. Noell, special agent National, Charlotte, and B. S. McKeel, of Raleigh and New York, manager General Cover Association, were elected delegates to the grand nest meeting. R. H. Lewis, retiring most loyal gander, reported membership was 181, and 23 new members were initiated in the year. A dinner-dance wound up the meeting.

### Cousineau Named Indiana State Agent of Pearl

Paul D. Cousineau has been appointed Indiana state agent for Pearl, succeeding Russell Moon, who is now state agent for the Meserole companies. Mr. Cousineau has been doing engineering work in Indiana, Ohio, Michigan and Kentucky for Pearl. He was connected with Monarch Fire from 1930 to 1937, when he went with the Ohio Inspection Bureau. He returned to the Pearl group which includes Monarch, in 1940.

### Higginbotham Florida Pond Choice at Miami Beach

Clyde T. Higginbotham, Jacksonville general agent, was chosen most loyal gander of the Florida Blue Goose at the annual convention in Miami Beach. George E. Edmondson, Tampa general agent, was chosen supervisor; H. H. Chadbourne, Jacksonville, special agent Aetna Fire, custodian; Seth G. McKeel, Lakeland, special agent Great American, guardian; Hudson P. Meacham, Jacksonville, special agent, Albany, keeper, and Milton M. Spradlin, Tampa general agent, welder.

Forty-six members, many with wives, attended. During the business session, there was a special boat trip for the wives and members had opportunities to swim, fish, golf or sight-see. The meeting closed with a banquet and dancing.

### Initiate 21 in San Francisco

Twenty-one new members, including Charles R. Page, president Fireman's Fund group, will be inducted into San Francisco Blue Goose at the annual ceremonial and banquet June 30.

J. H. Rea, North America, is slated to be elected most loyal gander, succeeding Fred Grover, Fire Association.

E. J. Torregano, chairman of the speakers bureau of "France Forever," a French patriotic organization, spoke Monday on "France, Past, Present and Future."

### C. W. Good Hospitalized

C. W. Good of Chicago, state agent in Illinois for the London & Lancashire group, is confined to a hospital for temporary checkup and observation. He expects to be back at his desk at an early date.

### Illinois Blue Goose Holds Annual Parley



RALPH S. DANFORTH

Ralph S. Danforth, assistant secretary of Millers National, is now the most loyal gander of the Illinois Blue Goose. He was advanced to the top position at the annual dinner meeting and initiation in Chicago Monday. The rest of the nominating committee slate, previously announced, was elected. This was a well attended meeting. The ceremonies were run off in finished style and about eight new goslings lost their pinfeathers. Frank G. Cargill, North British & Mercantile, the retiring M.L.G., reported that membership of the Illinois pond now stands at 460, as compared with 410 when he took office. He expressed the hope that Illinois might before long become the largest pond in the country. That place is now occupied by California with 522 members.

### J. E. Guy Installs Officers

Mr. Cargill also reported as chairman of the entertainment committee. Ralph Woltersdorff, assistant western manager of Atlas, reported as chairman of the auditing committee. A. A. Knopp, New York Underwriters, conducted an impressive candle light memorial service. James E. Guy, automobile superintendent of America Fore, reported for the nominating committee and he installed the new officers in his capacity as deputy most loyal grand gander.

One of those initiated was W. B. Knox, special agent of Firemen's. His father, J. W. Knox, Chicago manager of Corroon & Reynolds, was on hand to witness his son's discomfitures. Others admitted to the order are: J. W. Nickerson, farm manager of Millers National; E. E. Ross, assistant superintendent of the farm department of America Fore; Elmer U. Dearstine of Kankakee, recently appointed special agent in central Illinois for the farm and hail department of America Fore; F. Earl Handley, special agent Dubuque F. & M.; Elmer E. Ailts, Western Adjustment Co., Decatur; George G. Kluber, state agent Meserole group; Leon M. Zech, Cook County special agent Pearl; Peter W. Freilich, Corroon & Reynolds; E. K.

### WANTED

Experienced Fire insurance man to travel for a well established Reciprocal Exchange. Address N-60, The National Underwriter, 175 W. Jackson Blvd., Chicago, Ill.

### WANTED

By one of the leading Insurance Agencies of Southwestern Michigan a Solicitor for Fire, Marine and Casualty insurance. Give age and experience in first communication. Address M-97, The National Underwriter, 175 W. Jackson Blvd., Chicago, Ill.

Dennis, Great American; Frank D. Henry, special agent, farm department, America Fore.

### M. C. Scanlan New Head of Nebraska Blue Goose

OMAHA—At the annual dinner of the Nebraska Blue Goose here, nine candidates were initiated and three members added by affiliation. Eighty-four members attended. R. S. Buddy, vice-president of Glens Falls was guest of honor.

M. C. Scanlan, manager of Underwriters Adjusting, was elected most loyal gander; Arthur Post, Rain & Hail Department, supervisor; Ed Reed, St. Paul, custodian; Ned Wiley, Scottish Union, guardian; Elmer Straka, National of Hartford, keeper, and Charles Martin, National American, welder. Asa K. Lane, Loyalty group, is the retiring most loyal gander. As delegates to the grand nest meeting Mr. Scanlan and R. E. Murphy, Underwriters General Agency, were elected. Clive Hecklenly, New Hampshire, and Harry Proffitt, Hartford, were elected alternates.

The Nebraska pond is one of the most active units in the middle west. The ritualistic work was put on in full form in an impressive manner. The

memorial section was handled by Robert Glass, manager of Western Adjustment, and Earl Neuberger, Underwriters General Agency, installed the new officers. Deputy Most Loyal Grand Gander Gordon Beals gave the charge to the new goslings.

The Nebraska Fire Underwriters Association at its annual meeting elected as president, Gordon M. Beals, Glens Falls; vice-president, Fred H. Sabin, American; secretary, E. S. Freeman, retired state agent for Agricultural; executive committee—Russell E. Johnson, New York Underwriters; T. W. Caldwell, Home; Wesley E. Bailey, Hartford; R. M. Byrne, Eagle Star; D. R. Wilhoit, America Fore.

The Nebraska Fire Prevention Association elected as president, R. E. Johnson, New York Underwriters; vice-president, F. M. Jackson, Aetna Fire; secretary, T. W. Caldwell, Home; assistant secretary, D. R. Wilhoit, America Fore.

### Oklahoma Blue Goose Elects

OKLAHOMA CITY—At the annual meeting of the Oklahoma Blue Goose, J. W. Butler, Oklahoma Audit Bureau, was elected most loyal gander; H. W. Cooley, Travelers Fire, supervisor; G. E. Wyatt, Hartford Fire, custodian; G. W. Kline, Fire Companies Adjustment



where the wide-awake Phoenix-London agent sells automobile insurance.

Every day he reads newspaper reports of automobile accidents. Then, while the accident is fresh in the minds of people residing or working near that spot, the agent concentrates his selling efforts on those who *already* realize their need of protection.

Such timely action favorably impresses Phoenix-London service on *receptive* minds—makes these people better prospects for other Phoenix-London policies.

## PHOENIX-LONDON Group

55 FIFTH AVENUE,  
Phoenix Assurance Co., Ltd  
Imperial Assurance Company  
Columbia Insurance Company  
United Firemen's Insurance Co.



NEW YORK CITY  
The Union Marine & General  
Insurance Co., Ltd.  
London Guarantee & Accident  
Co., Ltd.  
Phoenix Indemnity Company



Bureau, keeper; R. W. Crow, Glens Falls, guardian, and A. G. Winslow, Oklahoma Inspection Bureau, welder. R. M. Miller, Oklahoma Audit Bureau, and John Benson, secretary. Oklahoma Fire Underwriters Association, were named grand nest delegates, with Mr. Butler and J. S. Bottler, Fire Companies Adjustment Bureau, Tulsa, alternates. Four new members were initiated.

During a memorial service conducted by Will S. Eberle, Oklahoma City general agent, pictures of each of the 40 ganders who had died since establishment of the pond were thrown on a screen and individual tribute paid to each by George Kline, manager Fire Companies Adjustment Bureau.

### Field Meetings in Full Swing

The annual field men's meetings are now on. The Kentucky field men met last week at Mammoth Cave. The Nebraska field men had their annual meeting at Omaha. The Wisconsin field men are at the Lawsonia Hotel, Green Lake, the latter part of this week. The Illinois Fire Underwriters Association is having its annual meeting at the Lake Lawn Hotel, Lake Delavan, Wis., at the same time. The Minnesota field men will meet June 25-26 at Brainerd. The Michigan field meeting will be held at Gratiot Beach, June 25-26. The Dakota Blue Goose will meet June 27-28 at Alexandria, Minn. The Indiana Fire Underwriters Association will meet at Lake Wawasee, July 1-2. The West Virginia Fire Underwriters Association will meet at White Sulphur Springs, W. Va., July 8-9. The Ohio field men's summer outing will be held in Columbus, July 8-9. The Tennessee field men will meet at Chattanooga, July 9-10.

### Cleveland Groups Elect

CLEVELAND—Frank J. Weber, Firemen's group, was named president of the Cleveland Field Club at its annual meeting. E. M. Kelley, Aetna Fire, is vice-president; George Wheaton, Fireman's Fund, secretary, and T. D. Gernerchak, Western Adjustment, treasurer. Roy J. Harney, American, is retiring president. The club now has more than 100 members.

The Western Reserve Blue Goose Puddle elected G. E. Ritchey, Underwriters Adjusting, big toad; J. M. Shaw, Ohio Inspection Bureau, pollywog; R. T. Wagner, Niagara Fire, croaker, and J. W. Frazier, Pacific National, bouncer. The puddle is planning a golf party for the latter part of June. B. O. Evans and O. F. Gibbs are in charge.

### Plan Ohio Pond Outing Sept. 8-9

COLUMBUS—C. N. Mullican, Jr., North America, Cincinnati, has been appointed chairman of the Ohio Blue Goose annual fall outing in Cincinnati Sept. 8-9 at Summit Hills Country Club. A business meeting and initiation will be held the evening of Sept. 8, with field club meetings the following morning. A golf tournament will be held the afternoons of both days. The committee includes M. Van Haun, Western Adjustment; L. A. Finch, Underwriters Adjusting; C. H. Garbutt, America Fore; G. H. Allen, Royal-Liverpool; J. F. Schweer, Cincinnati Fire Underwriters Association and Joseph Rielage, Ohio Audit Bureau.

### N. J. Field Club Outing June 23

The New Jersey Field Club will hold its annual outing June 23 at the Manasquan River Golf Club. A golf tournament will be followed by a dinner.

### Iowa Committee Named

DES MOINES—Fred Brake, state agent Great American, president Iowa Fire Underwriters Association, has announced the following executive committee: L. K. Taylor, Commercial Union, chairman; C. S. Cathcart, Home of New York; J. E. Bright, North America; E. A. Smith, Security of Connecticut, and



BEFORE THE CAMERA AT INSURANCE COMMISSIONERS RALLY:

Orville R. Ware, Northwestern Mutual Life; F. J. Agnew, National Board, San Francisco; Thomas Watters, Jr., special counsel National Board; Harry H. Fuller, deputy U. S. manager Zurich, and George H. Moloney, vice-president Hartford Accident, Chicago.

H. P. Martin, Des Moines manager St. Paul Fire & Marine.

A. E. Holt, Aetna Fire, is vice-president, and W. K. Hankinson, National Fire, secretary-treasurer.

Beginning July 1, W. C. Jeuter, Illinois state agent for Ohio Farmers and Ohio Farmers Indemnity, will be located at 806 Lehmann building, Peoria,

Ill. Heretofore he has maintained his office in the Alliance Life building, Peoria.

Maury Pollard, Jr., San Antonio, Tex., special agent Commercial Union, is in a Houston hospital where he underwent an operation on his eye to correct a muscular condition which interfered with proper focusing of his eyes.

### Salina, Kan., Agents Elect

The Salina (Kan.) Association of Insurance Agents has elected John Vorse, president; Dan Bolen, vice-president, and Merle Richmond, secretary-treasurer, and is proceeding with plans for entertaining the annual meeting of the Kansas association Sept. 24-26. The Hotel Lamer has been announced as headquarters.

## MONA AND CLARA

In bomb-scarred England, when the sound from the 'alerte' siren begins its moaning crescendo, they say — "It's Mona." Then, when the note finally sounds for all-clear, they say — "It's Clara" . . . In our business isn't it Mona when we realize that maybe our customers are not entirely protected from the possible bombs of disaster? It's Clara when we've cleared the air with a thorough, practical program of protection! . . .



**OHIO FARMERS  
INSURANCE COMPANY**

*Chartered 1848 . . . Le Roy, Ohio*

## AS SEEN FROM CHICAGO

### W. A. BUSHNELL IN NEW POST

William A. Bushnell, who has been connected with Millers National about nine years, has now joined the fire insurance department of James S. Kemper & Co. in Chicago in an underwriting capacity. At Millers National he was connected with the Cook county and Illinois brokerage department. His brother, Robert Bushnell, is manager of the office of National Retailers Mutual of the Kemper group at Glen Cove, L. I. Their father is A. I. Bushnell, retired treasurer of Millers National.

### ENGELHARD-KROGMAN OUTINGS

The Engelhard-Krogman & Co. agency of Chicago is holding its annual outing for brokers and the office force in two installments. Some 75 attended the first field day at River Forest Country Club. Then there will be an outing for another group at the same place June 24. H. H. Engelhard performs as toastmaster.

### W. M. FRINK VISITS CHICAGO

W. M. Frink, who is to assume the position of U. S. manager of Norwich Union, went to Chicago last week for the annual outing of the Waidner, Power, Zweig & Lasch agency.

### HOME EMPLOYEES' OUTING

The Country & Town Club, composed of employees of Home of New York in Chicago, staged its annual outing at Medinah Country Club, Tuesday.

Attending as guests of the club from the home office were R. F. Van Vranken and Ivan Escott, vice-presidents of Home; John Love, vice-president of Home Indemnity; Leonard Peterson, secretary of Home, and L. V. Grady, assistant secretary Home Indemnity.

This was an all-day affair, including lunch and dinner, and a number of activities including golf and other sports. All of the employees and executives of Home's Cook county office and farm department attended. E. J. Busch, manager of the loss department, is president of the club.

### W. L. BENNETT RETIRES

W. L. Bennett of Chicago, Cook county manager of the Hartford Fire group, retires after a long experience with one company. He started his Hartford Fire career July 1, 1894, being employed as a clerk by the then General Agent George F. Bissell in the western department. He spent three years in the office doing general work and then was appointed assistant special agent for Cook county. In 1898 he was given charge of northern Illinois and continued in that position until 1912. Then he was transferred again to Cook county as special agent and in 1917 was made Cook county manager. He is the oldest employee in the western department of the Hartford Fire in point of

continuous service. He is held in high esteem by the official staff of the department and those at the head office. It is unusual that a man has spent his entire business life with one institution.

When Mr. Bissell employed Mr. Bennett he was taken on trial. It was understood that if either were dissatisfied after a reasonable trial the relationship would be severed. Both the employer and employee must have been thoroughly satisfied because Mr. Bennett has been demonstrating his fitness for 47 years. He is a native of Chicago. He was one of the big factors in the old Illinois State Board and he and Mrs. Bennett attended regularly the annual meetings at Lake Delavan. He is known for his genial, kindly disposition and his desire to help everyone along. He and Mrs. Bennett will leave for Los Angeles to join their son, Alston L. who has long been a resident of that state. He is in the building material business.

### CHAPMAN IS NEW CZAR

W. J. Sonnen of Evanston, Ill., scribe of the Joys & Glooms, announces that following the death of Czar A. R. Monroe of Indianapolis, head of the order, W. A. Chapman of Evanston has been appointed acting czar until the annual gathering in October when a permanent selection will be made. Mr. Chapman was formerly state agent of the Connecticut Fire in Wisconsin and was called to the western department as assistant manager. The Joys sprung out of a luncheon group composed of employees of the western department. Mr. Monroe was Indiana state agent. The Glooms were a later attachment and the name was joined, called, "Joys & Glooms." Mr. Chapman later on was western manager of the Fireman's Fund.

### CONFER ON STANDARD SETUP

President George Z. Day of Standard of New York and two executives of the Aetna Fire group were in Chicago Tuesday and Wednesday of this week reviewing the local setup of Standard and Standard Surety & Casualty in view of the fact that those two companies were recently purchased by Aetna Fire. They were not prepared to make an announcement as to what the new Chicago arrangements are to be. Standard has been maintaining a western department office in Chicago with supervision over several states, in charge of Vice-president A. J. Couch. The Aetna men who made the trip were Frank G. Bush, secretary of Aetna Fire, and H. R. Tomlinson, vice-president.

### MRS. HERRING IN DISTAFF POST

Lillian L. Herring, executive secretary Illinois Insurance Federation, again is board chairman of the Insurance Distaff Executives Association of Chicago. Her reelection comes following the recent annual meeting, at which she asked to be excused from further executive

duties in the Distaff organization due to the pressure of her other work. However, she agreed to serve as publicity chairman, only to find that this carried with it position on the board.

A. C. Hoberg, assistant secretary of Phoenix of Hartford in charge of the western department, has been taking a middle western trip. He was in Chicago and Milwaukee this week and expects to return to Chicago and then go on to Detroit.

## NEW YORK

### ROYAL STUDENTS FETE MINOR

Twenty-eight of the members of the 1940-1941 class of Royal-Liverpool who have just completed the lecture course gave a dinner in honor of C. D. Minor, director of education. Among those attending were Harold Warner, U. S. manager, H. T. Cartledge, deputy manager, M. H. Grannatt, H. C. Conick, and E. W. Hotchkiss, assistant managers, and W. E. Mallalieu, Jr., assistant director of education.

Charles Fontaine, speaking on behalf of his colleagues, expressed to the management their appreciation for the opportunity which had been afforded them to broaden their knowledge of the insurance business. Mr. Warner expressed to Mr. Minor and Mr. Mallalieu the appreciation of the management for their devotion to their work.

Mr. Cartledge reviewed Mr. Minor's career with Royal-Liverpool groups and Mr. Conick also spoke.

Donald LaVine on behalf of the class presented to Mr. Minor a set of golf cuff links and to Mr. Mallalieu a leather wallet.

### NORWICH UNION TO MOVE

Norwich Union intends to move its offices to the top two floors of the building at 75 Maiden Lane. Norwich Union now occupies space on lower floors. The new quarters will be laid out in new style.

### GOLF TOURNAMENT

The tournament of the New York Fire & Marine Insurance Golf Association will be held at the Echo Lake Country Club, Westfield, N. J., Sept. 18.

### INSURANCE SOCIETY LUNCHEON

W. E. Minner, president of the Insurance Society of New York, was host at a luncheon to his fellow officers and directors of the organization Wednesday.

### N. Y. INSURANCE WOMEN ELECT

Officers of the Insurance Women of New York elected at the annual meeting Monday are: President, Helen F. Williams, J. W. Thomas, Inc.; vice-president, Norma B. Palmer, Great American; recording secretary, Catherine L. Burns,

Marine Office of America; corresponding-secretary, Sybil A. Neale, Home; historian, Julia D. Russell, National Board. Miss Williams and Helen M. Garvin, North British & Mercantile, first president of the organization, will be delegates to the national convention of insurance women at Nashville.

## Municipality Needs Expert Insurance Advice

Joseph F. Collins, chief examiner of the rating bureau of the New York department, in addressing the State Conference of Mayors at Albany, advised against distributing the insurance business of a municipality on a political basis and he also expressed disapproval of the idea of spreading the business among all of the agents without having some one agent or a small committee of agents being held responsible for proper handling of the line. The agent who is made responsible should be selected by reason of his qualifications as an insurance expert. Then he could broker a portion of municipal business to other agents.

Some communities have had good results through the operation of small rotating committees of agents to service the account. If a municipality goes on a self insured basis it should secure excess cover to protect it against losses larger than it is willing to bear directly.

There is lacking insofar as surety bonds for public officials are concerned any consistent or up to date approach. Most requirements are provided for by statute or local ordinance. There is no consistent or coordinated plan.

Fidelity bonds on public officials, he said, should be written for the full term rather than on an annual basis. Possibly there might be worked out a form of blanket fidelity bond patterned along the lines of the commercial blanket bond, for large governmental units and their political subdivisions.

## Say Intentions Misinterpreted

SAN FRANCISCO—Neither the Insurance Brokers Exchange nor E. Pym Jones, past president, had any intention or desire to cause a break-up in the National Association of Insurance Brokers by their recent proposal for the formation of a western conference of brokers' organizations, it was stated here this week. The idea, officials said in San Francisco, was to make a western group within the national organization to handle strictly western problems because, in many respects it was pointed out, brokerage methods differ from the Atlantic coast cities. This would also include the Society of Insurance Brokers, which is now a member of the National association whereas the Insurance Brokers Exchange is not.

"Our report and our intentions have been misinterpreted," said an official of the exchange acting as unofficial spokesman.



INCORPORATED 1794

# THE INSURANCE COMPANY OF THE STATE OF PENNSYLVANIA

308 WALNUT STREET, PHILADELPHIA

FIRE	•	AUTOMOBILE	•	LIGHTNING	•	WINDSTORM	•	USE AND OCCUPANCY
INLAND TRANSPORTATION	•		•	TOURIST BAGGAGE	•	RENT INSURANCE	•	PARCEL POST





#### AT INSURANCE COMMISSIONERS CONVENTION IN DETROIT:

Antonio Carillo Flores, Mexico commissioner; A. C. Olshen, Oregon department actuary; A. F. Jordan, District of Columbia commissioner; J. H. Graves, Arkansas commissioner; James A. Gremillion, Louisiana secretary of state, and L. J. Kavanaugh, Colorado commissioner. Pictures by H. H. Fuller, deputy U. S. manager of Zurich.

## Loss Is Heavy in Two Chicago Fires

Damage of approximately \$200,000 was caused when fire partially destroyed the Goranson Bowling Alley building at 3239-49 North avenue, Chicago.

The insurance loss will run around \$135,000, it is estimated. Most of this will be on the building, some on the 20 bowling alleys on the second floor and permanent fixtures on the first floor. A food market, liquor shop, and cocktail lounge on the first floor were badly damaged.

Approximately \$15,000 of insurance on the food mart, which was damaged to the extent of around \$30,000, was carried in a mutual company, it is said. Almost half of a new liquor stock for which the owner paid between \$70,000 and \$80,000 was destroyed, but there was no insurance.

The cement floor separating the ground and second stories prevented even more serious loss.

Another fire in Chicago did around \$75,000 damage to the Chicago Mill & Lumber Co., plant on Chicago's near north side during the past week. The company manufactures wooden boxes, and the fire was particularly severe, killing three firemen.

## Northern Fetes Buffalo Agency at 65 Year Mark

Sixty-five years ago, the firm of Worthington & Sill of Buffalo became agents of Northern Assurance and the same firm, now Worthington, Sill & Morgan, represents Northern today. In celebration of this anniversary, United States Manager R. P. Barbour and Special Agents T. W. Posthill and Alfred E. Smith entertained the partners, their wives and the office force at dinner and presented the agency with a hand-illuminated scroll of appreciation.

The firm of Worthington & Sill established a general insurance office in 1868. Through Mr. Sill's father, who was captain of a steamer on the Great Lakes, the firm became interested in lake marine and Erie Canal insurances, and shortly were a large factor in that market. For years they were general agents through whom local agents and brokers in Cleveland, Detroit, Chicago, Milwaukee and Duluth reported and placed insurance on hulls and cargoes on the Great Lakes and the canal. This led to a large ocean marine business so that the firm was well known as a prominent marine insurance office for many years. With the change of headquarters of many ship companies to other cities, the insurance gradually drifted to other points, and the firm then gave more attention to developing general lines of insurance in Buffalo and vicinity.

In 1909, the partners felt they should bring in some new blood, and about that time Mr. Fitzgerald of Fitzgerald & Morgan, local insurance agents, de-

sired to retire, so in 1910 the two firms joined hands, which brought Louis G. Morgan into the picture, and in course of time the firm became Worthington, Sill & Morgan.

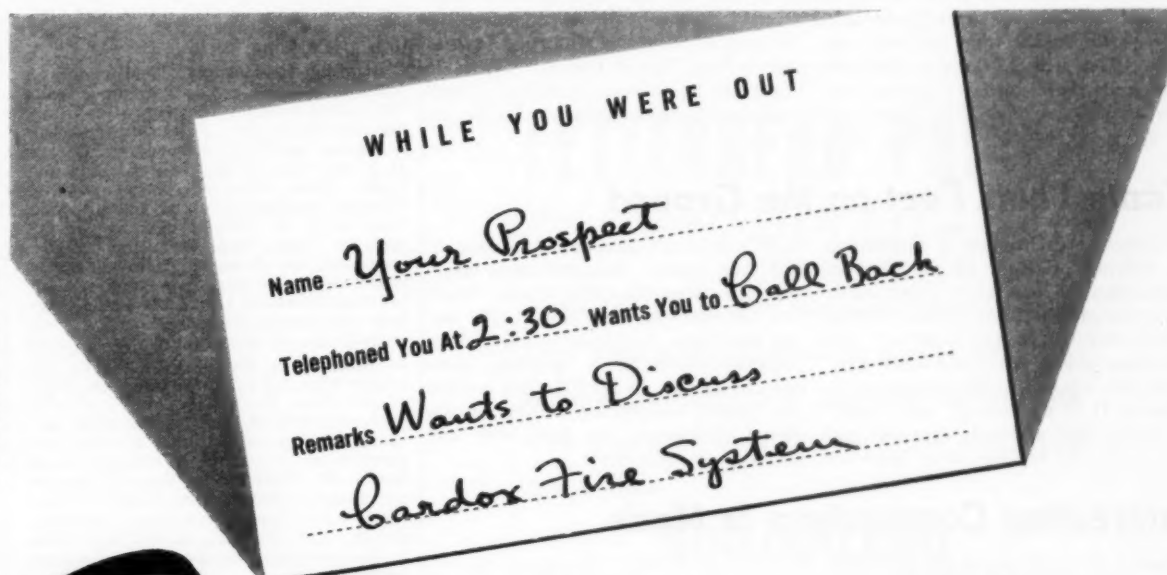
Mr. Sill died in 1910, and Mr. Worthington in 1911. Miss Stella C. P. Olson of Fitzgerald & Morgan, went over to the new firm, and when Mr. Sill died,

recommended that her brother, John C. Olson, be brought into the office, which was done. Today, Mr. Olson and Ralph G. Morgan carry on the business.

## Tachau Deal Is Assured

LOUISVILLE.—Charles Tachau, official of Louisville Fire & Marine, stated

that more than the 90 percent of the stock had been deposited in connection with the plan to sell the company. This assures that the deal will be completed. The actual transfer will not take place for about three weeks. The name of the buyer will not be divulged until the deal is completed, which will be in early July.



# Be Ready FOR QUERIES on CARDOX

The Non-Damaging Fire Extinguishing System

THE WHOLE REMARKABLE STORY COMPLETELY TOLD IN THIS DATA FILE

Contains explanatory data, case studies, test reports, illustrations, plus

UNDERWRITERS' LABORATORIES REPORTS

Write for Your Copy Today



● If at this moment a customer or prospect should ask your slant on Cardox Fire Extinguishing Systems, what would you—or could you—say? To be fully prepared, spend several minutes with the Cardox Data File. Find out how Cardox, using a recognized fire extinguishing medium, brings that medium to peak effectiveness by: (1) Providing for rapid discharge of CO<sub>2</sub> at the low temperatures which insure greater fire extinguishing efficiency and greater cooling effect. (2)

Ample supply at constant low pressure to provide a pre-determined fixed rate of flow in volume sufficient to overwhelm instantly a blaze of any anticipated size, and (3) Economical installation, maintenance and operation. Those exclusive points, together with the non-damaging, cooling qualities of CO<sub>2</sub>, stamps Cardox the "truly modern" extinguishing System. Be prepared to discuss it when requested, as a service to customers and a favor to yourself.

CARDOX CORPORATION  
BELL BUILDING • CHICAGO, ILL.

## EDITORIAL COMMENT

### Insurance Could Lend a Hand

SECRETARY OF STATE HULL has assigned one of his assistants, who has a keen analytical and research mind to study from every possible angle economic conditions that are likely to follow in the wake of the war. This is a tremendously important subject to all of us. It would be the province of this particular department to gather information of value, assimilate facts that may have a bearing and map out a program or programs for the guidance of the government and business.

Secretary Hull in a recent address took occasion to outline a broad program of world economic reconstruction as a basis of peace. He believes that raw materials must be available to all countries without discrimination.

Many solid thinkers declare that the entire world is marching in the direction of self dependent states or blocs. If such be the case then these units will aim to produce what they can consume. They will endeavor to find substitutes for those goods or articles they have been importing. The trend will be for every nation to become more

and more self reliant. The present trade system breeds war. Many economists recommend a return to the 19th century plan of friendly world wide exchange. There is an opportunity, despite who wins the war, to bring about a new system of exchange of goods on a basis that will inspire more friendliness.

Insurance is vitally interested in what will transpire after the war. It is in a position to lend a hand in the study of business and economic trends. Certainly we are hostile to any form of militarily controlled trade or a free-for-all grabbing method. Insurance has experts and thinkers that could contribute in a most constructive way to the building of a new order in the western hemisphere and perhaps a new world order.

We can all read with profit to ourselves the book by Vice-president G. K. Howard of General Motors, "America and a New World Order." He is in charge of its overseas trade and is well versed on world business conditions and needs.

### Wants Their Feet on the Ground

COMMISSIONER Blackall of Connecticut, the retiring president of the National Association of Insurance Commissioners, in his address at the annual meeting, called attention to the need for conservatism, sound sense and solid judgment with respect to hospitalization insurance. It is an entirely new feature in health and accident insurance and very much like the days long ago when

there was severe competition in accident and then health. Hospitalization insurance is running the same course. There are 100 cents in every dollar. No one has ever been found yet to carry on a business where he is spending more than he earns. As Mr. Blackall pointed out, undue competition brings on too liberal provisions, too low rates and shrinkage in reserves.

### Interesting Comparison Is Made

REVEALING some idea of the seriousness of the automobile fatality situation in this country, it is interesting to compare it with the number of civilians killed in England during the last 21 months through air raids. The latest

figures are 35,956. Therefore, the fatalities to civilians in England are just about the same as the number of automobile deaths in the United States in a year's time. This is a startling comparison.

### Public Speaking Classes

SOME field organizations, local boards and other groups have been very successful in fostering public speaking courses. The aim is not to make professional orators out of people but to give proper schooling in the art of speaking and talking easily on their feet. The very training itself has a strengthening value because those who have graduated from these classes have greater confi-

dence in themselves, they find that their conversation is more spontaneous, more grammatical and more impressive. Some who have taken this work find that their sales ability has been considerably enhanced.

In fact one of the agency managers of a life company in Chicago commands all new men entering his agency to take such a course so that they can become

more efficient salesmen. They are at greater ease when they are talking to prospects.

In these days there are numerous meetings, conferences, luncheons, etc., where insurance men are expected to talk and preside. In far too many cases the results are pathetic. Public speaking courses have developed ease, force, variety and smoothness in speech.

There is no attempt on part of those sponsoring these courses to develop a man to a point where he becomes so enamored with public speaking that he gives more attention to that than to his own business. The aim is to help a man in his business, in his association activities, in his social life, to appear more at ease, to think logically, to speak correctly and impressively.

## PERSONAL SIDE OF THE BUSINESS

W. A. Earls, Cincinnati local agent, was elected director for a three-year term of the Cincinnati Association of Credit Men. Mr. Earls served as chairman of the insurance advisory group the past year.

George P. Lee, Atlanta special agent for Factory Insurance Association, received a basket of roses and a wrist watch from field associates and management on completion of 25 years with the organization. Mr. Lee started with the association in 1916. His service was interrupted by the war in which he served as a captain. Resuming field work, he has been stationed successively at Greenville, S. C.; Charlotte, N. C., and Atlanta.

Leonard L. Harding, local agent at Milford, O., received a plaque from Norwich Union for 40 years of continuous representation. The plaque was presented by State Agent J. A. Nielan at a meeting of the Milford Kiwanis Club. More than 40 years ago Mr. Harding became a clerk and solicitor with the E. E. Shipley agency, Cincinnati, at that time Hamilton county managers for Norwich Union. Shortly afterward he engaged in business on his own, Norwich Union being the original company represented.

Mrs. Joseph Rowland, better known as Miss Mary Keeley to those having occasion to call on Superintendent Pink at his New York City office, is now back at her desk after a prolonged absence, during which she became the mother of a daughter Mary, born March 20. Miss Keeley went to the department in 1929 and has served as secretary to Superintendents Conway, Behan, Van Schaick, and Pink. She is also secretary to the state insurance board.

Despite what to most golfers would appear to be an insurmountable handicap, the loss of his right hand, A. R. Sayres, manager marine department of LaBow, Haynes & Co., Seattle agency, strokes them "straight and far," using right hand clubs and a left-handed backhand swing. He climaxed his golf game with a "hole-in-one" at Broadmoor course in Seattle. The feat was accomplished on the 145-yard 10th hole with a No. 6 iron. He was playing with Louis LaBow, president of LaBow, Haynes Co., and Harry E. Briggs, Seattle agent. Incidentally, Mr. Sayres took an eight on the next hole!

Two men of Home of New York in Chicago are on the sick list. James F. Feeney, manager of Home Indemnity, is in Mercy Hospital there where he underwent a major operation a few days ago. T. K. Pfaffin, manager of the

service department for the Home group, is recuperating in St. Luke's Hospital, where he underwent a major operation in May, but he will be in the hospital for several weeks yet.

E. S. Inglis, vice-president of Corroon & Reynolds, made a quick comeback from the attack of double pneumonia with which he was stricken three weeks ago. Within two weeks thereafter he left for a recuperative trip of 10 days to Atlantic City, returning to the office and swinging into action Tuesday of this week.

The engagement of Mary A. Parrott, Milwaukee, to Joseph Grundle, Jr., Elm Grove, Wis., has been announced and a late June wedding is planned. Mr. Grundle is associated with the home office of the Catholic Family Protective Life, of which his father, J. G. Grundle, Sr., is secretary. The senior Grundle was formerly for many years executive secretary of the Milwaukee Board and the Wisconsin Association of Insurance Agents.

Mr. and Mrs. C. W. Bean of Kansas City, who celebrated their 60th wedding anniversary the other day, are the parents of C. W. Bean, Jr., state agent for America Fore. They make their residence with their son. A grandson, Lyle Bean, is connected with Western Adjustment in Illinois.

Cliff C. Johnston, secretary of the Kansas City Association of Insurance Agents, is visiting company offices in New York and Baltimore this week.

W. T. Earls, general agent Connecticut Mutual Life, Cincinnati, is engaged to Anna Hillenmeyer of Lexington, Ky., daughter of Mr. and Mrs. L. E. Hillenmeyer. Mr. Earls attended Holy Cross University. He is a son of W. A. Earls, Cincinnati general insurance agent. The marriage will take place later in the summer.

F. R. Bigelow, chairman of the St. Paul Fire & Marine, attended the 50th reunion of his class at Williams College.

Ned Reynolds, special agent of American, who was confined to a hospital in Youngstown with pneumonia, is now convalescing at the home of his parents in Akron, O.

John R. Cooney, president Firemen's of Newark, has returned from an extended trip to the midwest where he visited a number of agencies.

John P. Old, Jr., agent at Sault Ste. Marie, Mich., and member of the executive committee of the Michigan Association of Insurance Agents, is attending the Rotary International convention in Denver as a delegate. Mrs. Old and their son Pat accompanied Mr.

## THE NATIONAL UNDERWRITER

PUBLISHED EVERY THURSDAY

Published by THE NATIONAL UNDERWRITER CO., Chicago, Cincinnati, New York. PUBLICATION OFFICE, 175 W. Jackson Blvd., CHICAGO. Telephone Wabash 2704

EDITORIAL DEPT.: C. M. Cartwright, Editor. Levering Cartwright, Managing Editor. News Editors: F. A. Post, C. D. Spencer. Associate Editors: D. R. Schilling, J. C. O'Connor, Kenneth Force.

BUSINESS DEPT.: John F. Wohlgenuth, President. H. J. Burridge, Vice-President and Secretary. John Z. Herschede, Treasurer. W. A. Scanlon, G. C. Roeding, O. E. Schwartz, Associate Managers.

CINCINNATI OFFICE—420 E. Fourth St. Tel. Parkway 2140. L. H. Martin, Abner Thorp, Jr., and C. C. Crocker, Vice-Presidents.

ATLANTA, GA., OFFICE—560 Trust Company of Georgia Bldg., Tel. Walnut 5867. W. M. Christensen, Resident Manager.

BOSTON OFFICE—Room 522, 25 Huntington Ave., Telephone KENmore 5237. R. E. Richmond, Vice-President.

CANADIAN BRANCH—Toronto, Ont., 86 Adelaide St., East, Tel. Waverley 7983.

DALLAS OFFICE—809 Wilson Bldg., Tel. Central 7814. Fred B. Humphrey, Resident Manager.

DES MOINES OFFICE—2825 Grand Ave., Tel. 4-2498. R. J. Chapman, Resident Manager.

DETROIT OFFICE—1015 Transportation Bldg., Tel. Randolph 3994. A. J. Edwards, Resident Manager.

MINNEAPOLIS OFFICE—500 Northwestern Bank Bldg. Tel. Geneva 1200. R. W. Landstrom, Resident Manager.

PHILADELPHIA OFFICE—1127-123 S. Broad Street. Telephone Pennypacker 3706. E. H. Fredrikson, Resident Manager.

SAN FRANCISCO OFFICE—507-S-9 Flatiron Bldg., Tel. EXbrook 3054. F. W. Bland, Res. Mgr.; Miss A. V. Bowyer, Pacific Coast Editor.

Subscription Price \$4.00 a year (Canada \$5.00). Single Copies, 20 cents. In Combination with Life Insurance Edition, \$5.50 a year (Canada \$7.50). Entered as Second-class Matter April 25, 1931, at Post Office at Chicago, Ill., Under Act, March 3, 1879.





Old on the trip, which will include a visit to San Francisco and the west coast.

Miss Jane Cashel, daughter of **John R. Cashel**, western manager of Providence-Washington, and **Albert J. Kempfert, Jr.**, were married in Evanston. Mr. Kempfert graduated this year from Northwestern University. The couple will make their home in Santa Monica, Cal.

The honorary degree of doctor of engineering was conferred upon **George W. Booth**, chief engineer of the National Board, by Worcester Polytechnic Institute, Worcester, Mass. After receiving his B.S. from the institute in 1891, Mr. Booth was an instructor in civil engineering there. He joined the technical staff of the National Board in 1904, and has been its chief engineer since 1910. He ranks as the outstanding authority on water supply as related to fire fighting.

**Albert L. Pfarrer**, manager of the insurance department of Frank O'Hara, Inc., Jackson Heights, L. I., and president of the Queens County Association of Local Agents, has been laid up at home with an infected leg. His condition is improving somewhat and he may be able to return to his office in two weeks.

**Charles E. Gibbs**, secretary of the Insurance Brokers Exchange of San Francisco, was married to Mrs. Mildred Lasher in Reno.

**Frank N. Jacks**, Manager of Underwriters Adjusting at Kansas City, is recovering from an illness at his home there. Mr. Jacks became ill at the Missouri Fire Underwriters Association meeting early in June.

**Jean C. Hiestand, Jr.**, son of **J. C. Hiestand** of LeRoy, secretary of Ohio Farmers, has just returned from Culver Military Academy where he graduated cum laude. He won the gold scholarship medal for leading his class for the past two years.

**Hurd J. Crain**, Atlanta, general agent of Penn Mutual Life, has been named state vice-president of the Navy League of the United States. He succeeds **Jesse Draper**, local agent, who has been called into active service with the rank of lieutenant commander.

## DEATHS

**E. R. Wood**, 76, one of Canada's leading insurance figures, died at his home in Toronto after a prolonged illness. Mr. Wood was a vice-president of Canada Life and a director of Western Assurance, Imperial Guarantee & Accident, British America, Canadian Insurance Company and British Empire Assurance Company. He was also associated with a number of industrial and public utility companies in an executive capacity. Mr. Wood played an important part always in philanthropic work and was instrumental in the rapid growth of the Y. M. C. A. in Canada, India, Japan and China. His benefactions to the University of Toronto and numerous churches have been many.

**Edward P. Butler**, founder of E. P. Butler Co. agency, Pawtucket, R. I., died at the age of 78. He had operated the company since 1905. He was a member of the Democratic city committee for 10 years and was a representative in the legislature for five terms. A son, **F. Butler**, is president of the agency. **John B. Butler**, another son, is secretary-treasurer.

**B. D. Moore**, 50, in charge of auto claims for T. H. Mastin & Co., Kansas City, died.

**Mrs. Raymond T. Smith**, 42, wife of the vice-president of Alfred M. Best Co. at Chicago, died Wednesday of last week at St. Francis Hospital, Evanston, Ill., where she was taken from her home in Golf, Ill., where she suffered a sudden attack.

Mr. Smith was notified by telephone in Detroit, where he was attending the

insurance commissioners meeting, of the death of his wife and he was able to get a plane at 1 o'clock. His brother, **Arthur G.**, who is connected with the Illinois insurance department at the Chicago office, was attending the convention and accompanied his brother home. **Thomas Morrell** of the Best Company in New York, who formerly was associated with Mr. Smith in Chicago, took a plane and arrived in Chicago Wednesday evening. Mr. Morrell has been in charge of the Chicago office during the absence of Mr. Smith.

**A. M. Best** had an engagement to address the life underwriters meeting at St. Louis Thursday. He did that and then went to Chicago to be with Mr. Smith. He was one of the pallbearers at the funeral. Mr. Smith accompanied Mr. Best to the latter's summer home at Peru, Vt. where he intends to stay a week.

The funeral services were very impressive. The chief address was made by **Ferre C. Watkins**, president of the Union League Club, and attorney for the Illinois insurance department's liquidation bureau. He is an intimate friend of Mr. Smith. In fact, Mr. and Mrs. Watkins dined with the Smiths at the latter's home in Golf just the Saturday before the funeral services. Mr. Watkins spoke of the artistic home of the Smiths, their flowers, their interest in one another and the many things they had in common.

Insurance men outside of Chicago attending the funeral were Vice-president **J. J. Moriarty**, American Mutual Life; President **O. J. Arnold**, Northwestern National Life; Vice-President **E. H. Henning**, and Mrs. Henning, Illinois Bankers Life; Chairman **Fred P. Carr** and Mrs. Carr, Central Life of Iowa, and **W. W. Chambreau** of the New York accounting firm of Barrow, Wade, Guthrie & Co.

Prior to the funeral service Father Connerton of Our Lady of Perpetual Help, Catholic Church of Glen View spoke prayers for the dead at the casket. Following Mr. Watkins' address, Rev. H. Vinkmeyer of the Lutheran Evangelical Church gave a talk.

Mr. and Mrs. Smith had been married 23 years.

**L. F. Robinson** died at the Hartford Hospital. In addition to being a leading attorney, he was a director of Connecticut Mutual Life, Connecticut Fire, Hartford Steam Boiler, and Phoenix of Hartford.

**Phares Day**, 68, local agent of Kansas City, Kan., and one of the founders of the local board there, died.

**J. D. Wheeler**, 51, of the Belknap & Wheeler general agency, Dallas, died from a heart attack after being stricken at the luncheon table at his home. He had lived in Dallas 21 years and was in insurance work on the Pacific Coast about 10 years before going to Dallas. He served as a captain in the world war. He was active in the Blue Goose and was known for his ready wit as an after-dinner speaker.

**Thomas J. Scott**, manager of the survey department of America Fore in Chicago died suddenly of a heart attack at his home there.

Mr. Scott, a native of Ireland, came to America alone when he was 16. He entered the employ of the old Phenix of Brooklyn in 1891 at Topeka, Kan., under George Bailey, then state agent. He held various posts in the Chicago office, and had built up the survey department over the years.

### Plan Kentucky Fire College

**LOUISVILLE.**—George H. Parker, manager Kentucky Actuarial Bureau, who is Kentucky civil defense commissioner, is planning a fire college at the University of Kentucky July 28-31, with the objective of having one or more members from each fire department in the state in attendance. The army will cooperate and also Governor Johnson and the Kentucky fire marshal's office. Motion pictures will be shown, including those of air raids in England, and methods of extinguishing incendiary bomb fires.

### Good Scotchman of Old Travels Over the Hills

**Alexander R. ("Alec") Monroe**, 79, retired president of the Newark Fire, died in a Plainfield, N. J., hospital Monday morning after an illness of about two weeks following a heart attack. Although he retired as president of the Newark Fire in 1926, he had kept alive many personal friendships and retained a lively interest in the business. Since the death of his wife five years ago he had made his home in the Marott Hotel in Indianapolis.

Mr. Monroe was born near Tain, Rosshire, Scotland, July 12, 1862, and came to the United States when he was 19 years old. The family made their home in Indianapolis and his first insurance connection was with the Franklin Fire of that city in 1883, serving for several years successively as assistant bookkeeper, daily report clerk and city solicitor. From September, 1886, to July, 1889, was spent with a local agency in Indianapolis when he became manager of the insurance department the Robert Zener & Co., of which the general agency of Stone, Stafford & Stone is the present successor.

In January, 1895, Mr. Monroe entered field work for the Connecticut Fire as special agent for Indiana and

Kentucky. In 1900 he became special agent of the Queen for the same territory. Jan. 1, 1905, he was appointed assistant manager of the western department of the Queen and moved to Chicago. In 1921 he became president of the Newark Fire, continuing in that office until his retirement in 1926. He and Mrs. Monroe then returned to Indianapolis and enjoyed the years until her death about five years ago, dividing their time between Indianapolis and their summer home on Lake Wawasee.

He took an active part in insurance organizations, serving officially and on committees.

Mr. Monroe was former president of the Indiana State Board, president of the Fire Underwriters Association of the Northwest, president of the Life Members Society of the Northwest Association, director of the Western Adjustment, secretary and treasurer of the Underwriters Salvage Company. He served as most loyal gander of the Illinois Blue Goose, was herald of the Round Table of the Union League Club, Chicago, and president of the New York City Round Table.

### Czar of Joys & Glooms

Mr. Monroe was the Czar of the famous Joys & Glooms, a social organization that started in the western de-

(CONTINUED ON PAGE 34)

## LETTERHEAD PRICES —REDUCED—

even though costs have increased—your own design duplicated or a new one created at no additional cost—in our twenty-five years of service we have produced more than

**500,000,000**

Send sample for quotation

★

ALSO SUPPLIERS OF  
GUARANTEED AUTHENTIC  
INSURANCE POLICIES  
FOR ALL STATES



THE ONLY  
PRINTERS AND LITHOGRAPHERS  
EXCLUSIVELY DEVOTED TO RENDERING  
A COMPLETE SPECIALIZED SERVICE  
FOR INSURANCE COMPANIES

## UNIFORM PRINTING AND SUPPLY

DIVISION OF COURIER-CITIZEN COMPANY

351 W. Chicago Ave.  
Chicago, Illinois

50 Washington St.  
Brooklyn, New York

# EMPLOYERS REINSURANCE CORPORATION

HOWARD FLAGG . . . PRESIDENT

---

REINSURANCE OF CASUALTY, FIDELITY AND SURETY

WITH PARTICULAR ATTENTION TO  
YOUR PARTICULAR REQUIREMENTS

---

HOME OFFICE—KANSAS CITY, MISSOURI

BRANCH OFFICES — NEW YORK — CHICAGO — LOS ANGELES — SAN FRANCISCO



# The NATIONAL UNDERWRITER

June 19, 1941

## CASUALTY AND SURETY SECTION

Page Fifteen

### Miller Chairman, Bach President of Fidelity & Deposit

#### Important Changes Are Made Following Death of W. B. Lowndes

Due to the recent death of W. B. Lowndes, Sr., who was chairman, executive changes of first importance have been made by Fidelity & Deposit. Charles R. Miller, who has been with



CHARLES R. MILLER

F. & D. 50 years and who has been president since 1924, now becomes chairman. The new president is Frank A. Bach, who has been with F. & D. since 1902 and has been a vice-president since 1915.

Mr. Bach is regarded as one of the keenest surety underwriters in the country and his judgment is highly respected throughout the surety field. He is regarded as a man with unusually clear vision and it is said that he perhaps more than any other single executive of F. & D. was responsible for that company's refusal to engage in the business of guaranteeing the principal and interest of mortgages at a time when a great many surety men believed that this business was gravy.

#### New President's Career

Mr. Bach started with F. & D. as a stenographer and gained rapid promotion. In his earlier days he was in the public official department, but he was transferred to contract bond work and it is in that field that he became an especial authority.

Mr. Bach, who becomes the company's sixth president, came up from the ranks, having joined the Fidelity & Deposit in 1902. Born near Ellicott City, Md. in 1882, Mr. Bach re-

### Cost-Plus System Runs Into Snags

#### Sentiment Develops in Washington for Return to Fixed Amount Contracts

NEW YORK—Some of those who have visited Washington recently and have undertaken to get close to the tangled situation there are convinced that there will be a reversal of the trend towards handling defense contracts on a cost plus a fixed fee basis. They find that in connection with such contracts an immense amount of red tape is encountered, thousands of awkward situations present themselves and the progress of the work is frequently slowed down because of the necessity of getting government approval of some step or other that is to be taken. Questions arise as to the allocation of expense in connection with equipment that is purchased for one job, for instance, and may be used only to a small extent on that contract and then will be sent elsewhere. Differences arise as to whether the government is the owner of this or that piece of equipment or whether the contractor is the owner.

The cost plus a fixed fee idea was championed by some of the newer element in Washington, it is understood, primarily on the theory that it would expedite the work because it would get away from advertising for bids, giving specifications, opening bids, etc. However, there is a growing realization that cost plus a fixed fee does not insure speed and satisfaction. There is reported to be a growing sentiment in favor of returning to the old system of competitive bids and fixed amount contracts. If that day should come, the insurance companies and agents would be relieved of many of the headaches that the cost plus system has produced.

ceived his early education in the county schools and subsequently took a  
(CONTINUED ON PAGE 22)



FRANK A. BACH

### Survey Departments' A. & H. Complaints

#### H. & A. Conference to Use Data Thus Obtained as Basis for Recommendation

As a result of questions raised by some of the commissioners in regard to company practices in connection with accident and health and hospitalization insurance at a hearing held by the accident and health committee of the National Association of Insurance Commissioners at its meeting in Detroit, the Health & Accident Underwriters Conference has arranged for a survey of complaints on accident and health claims filed with insurance departments, on which the criticisms made at Detroit were based for the most part.

The survey will cover about 10 of the larger departments, which have facilities for furnishing such information. Several of them already have expressed approval of the idea and have agreed to cooperate in the survey. As a matter of fact, the attitude of the commissioners at the Detroit hearing was extremely cooperative and they expressed the desire that the companies themselves should take care of whatever changes apparently need to be made.

Harold R. Gordon, executive secretary of the conference, now is preparing blanks which will be sent to the departments selected for the survey, including probably New York, Connecticut, Illinois, Tennessee and several others, which will show the nature of the complaint, the kind of carrier and policy involved (but not company name) and other pertinent facts in regard to the claim and will give an opportunity to learn just how many complaints there are in comparison with the total number of claims submitted and paid. The survey will cover all accident and health complaints and not merely those involving conference companies.

When the information brought out by this survey is obtained and compiled, it is expected to furnish a basis for recommendations that may be made by the company group. The scattered cases reported by the various commissioners were so inconclusive as to the facts and so varied in their circumstances as to furnish little basis for action.

#### Protest on St. Louis Rates

ST. LOUIS—The St. Louis chamber of commerce has been conducting a noisy campaign against casualty companies for reducing automobile liability rates in St. Louis county and not in the city. In addition to the usual blasts in the association's house organ about suburban residents using the city's facilities and receiving the benefit of unfair discrimination, T. N. Dysart, president of the chamber of commerce, has telegraphed the National Bureau of Casualty & Surety Underwriters, demanding detailed statistical experience. Some of the statements imply that suburban residents who do business in the city have caused the largest losses.

The rate reduction in the suburbs was retroactive to April 1 and runs from 7 to 16 percent on different automobiles.

### Commissioners Assail Non-Admitted Problem Spiritedly

#### State Officials in Mood to Take Concerted Action— Oppose Exceptions

The insurance commissioners at their Detroit convention exhibited a firm determination to do something about the problem of non-admitted insurance operations. This has been a perennial subject for years at commissioners meetings; individual commissioners have expressed the greatest indignation and have tried to arouse the association to concerted action but without much effect. Now, however, there seems to be a unanimous spirit to act.

For one thing there is the increasing threat that the non-admitted insurance evil might provide the advocates of federal control with the opportunity quickly to gain their objective to a considerable degree on the theory that this is one situation that the states are unable to control and thus securing enactment of measures similar to the Hobbs bills or the Patman bill.

#### Commissioners Are Annoyed

For another thing, the individual commissioners are expressing the greatest annoyance because of the demands that are being made upon their time by claimants against non-admitted accident and health companies that specialize in the sale of restricted forms of policies among the low income population group.

At a committee meeting on the subject over which Lucas of Missouri presided, each of the commissioners in the room testified to a similar experience along this line. Some of the commissioners attribute the great increase in such calls upon their time to the sale of individual hospital policies. Mr. Lucas remarked that in 99 cases out of 100, the insurance company is abiding by the terms of its contract in denying liability, but the fact remains that the claimant does not understand the limitations of the contract and he said that these policies serve no public good. He mentioned, for instance, a contract that pays 50 cents a day while the assured is hospitalized, commencing on the fourth day after the person is in the hospital. This sells for a premium of \$1 a month.

Blackall of Connecticut at a committee meeting to consider various aspects of accident and health insurance for the low income group, said that an increasing amount of his time is being taken by such claimants, to such an extent that important work suffers.

Most of the commissioners who expressed an opinion were quite strong in their belief that any legislation that is passed should have practically no exception for the benefit of this or that

(CONTINUED ON PAGE 22)

## Tuberculosis May Be Occupational

### Sayer Advocates Inclusion Under Compensation Laws

Tuberculosis under certain circumstances should be recognized as an occupational disease and therefore placed under the workmen's compensation laws, Henry D. Sayer, general manager of the Compensation Insurance Rating Board, New York, said in an address before the Saranac symposium on tuberculosis at Saranac, N. Y. This should be done not by broad general terms, but by very specific provisions. It could be easily accomplished in schedule laws by simply adding an item to the schedule and by adequately describing the process of work or the conditions under which the disease may be compensated. In the case of non-schedule coverage, separate provision should be made by specifically naming the disease and the conditions under which it could be allowed.

The time has come to squarely meet the issue, Mr. Sayer said, and decide whether tuberculosis is to be a basis for damages under the civil law predicated upon the employer's fault or whether the disease will be accepted under compensation laws, without regard to fault as a cause. One may look back over the experience of insurance and compensation administration, he said, and recognize the greater fairness of that system over common law. It is pretty safe to reason that the compensation method of treating the liability will prove more satisfactory than action for damages.

### Advocates Board of Medical Experts

Statutory provisions for bringing tuberculosis under compensation must be implemented by provisions for the determination of the medical issues involved in claims by boards of expert medical examiners, Mr. Sayer said. So involved are some of the questions that arise that determinations made by laymen, no matter how sincere they may be, are certain to lead to strange results in some cases. The way has already been indicated by the provision in the New York law for an official committee of recognized experts on silicosis.

Tuberculosis in industry and the resultant liability have been handled in a piecemeal, haphazard way. Any citation of cases will make it evident that the problem, which is substantially the same everywhere, is viewed very differently in different jurisdictions, he said.

The trend of the present day toward charging industry with liability for all sorts of happenings to workers should

(CONTINUED ON PAGE 33)

## Leslie Gives Concise Recital of New Rating Plan

Commissioner Gontrum of Maryland has sent to the various commissioners a synopsis of the statement made by William Leslie, general manager of the National Bureau of Casualty & Surety Underwriters, before the commissioners casualty committee at the Detroit convention on the war department rating plan for casualty coverages in connection with defense cost plus contracts. Mr. Gontrum is chairman of the casualty committee.

"Briefly, the war department rating plan," the report states, "is a modified retrospective rating plan applicable to the combined coverages for workmen's compensation and employers' liability, general liability for bodily injuries, and automobile bodily injury and property damage liability. The plan as announced by the war department is to be used as the basis of insuring all its defense contracts which are handled on a cost-plus-fixed-fee basis and for which the standard premium is \$5,000 or more.

"The plan contemplates that the contractor will select an insurance carrier and also an insurance adviser who may be a licensed agent or broker. The insurance adviser is paid by the contractor on a basis fixed by the war department. No commissions or other production cost allowance are to be paid by the carrier.

### Maximum Premium Fixed

"The maximum premium for the insurance is fixed at 20 percent of the standard premium plus allowances for taxes and assessments for industrial commissions, rating boards and bureaus. The premium, subject to this maximum, is the sum of the actual incurred losses, the allowance for claim expenses, the allowance for administration, payroll audit and engineering expenses, the allowance for taxes and board and bureau assessments and an insurance charge calculated to provide insurance against losses that would exceed the loss provision in the maximum premium. The determination of the final premium in this manner may be made within eight months after expiration on the basis of reserve valuations made six months after expiration if the carrier and the war department can agree upon the reserves so established. If no such agreement can be reached, the period of final adjustment may be extended to as much as 24 months after expiration. If at that time no agreement can be reached, an arbitration process is provided but the war department still retains the right to approve the settlement obtained in

(CONTINUED ON PAGE 33)

## Agency Gives 'Law-Down' on Hit-and-Run Driving

The Bennett & Edwards agency, Kingsport, Tenn., in a cleverly written advertisement on auto liability coverage uses one-fourth page of newspaper space to give the "Law-Down on Hit-and-Run Driving." It cites the section of the Tennessee code which provides that an automobile owner's driver's license may be revoked at any time he fails to satisfy any and all judgments for damages that may be legally awarded against him. The agency's slogan is "Insure to be Sure."

## Limited-Accident Writers Working to Meet Criticisms

NEW YORK—As a result of the New York department's looking into some phases of limited accident policies, companies issuing these contracts in New York state have been holding conferences with a view to clearing up the practices which the department objects to. The charging of policy fees, the main target of the department's criticism, seems on the way to being eliminated through action of the companies themselves.

These fees, ranging up to around \$5 and in some cases even higher, are added on to the first premium to take care of the agent's commission. Another feature to which the department objects is the high overhead resulting from the typical method of distribution. Policies are frequently sold in wholesale lots to those who in turn sell smaller lots to others. The number of steps between the issuing company and the ultimate buyer adds expense at each step.

### Loss Ratio is Good

The loss ratio on this type of policy is very good, usually running in the neighborhood of 30 percent. The premium charged the buyer is somewhat less than is charged for full coverage accident insurance but a number of claims are of course excluded by the policy's limitations. It is considered that where selling costs are held in line the policies give value received for the premium and are satisfactory provided the insured knows what he is getting and realizes that he is not getting a full coverage policy. There is, of course, a temptation to represent these contracts as being more nearly equal to full coverage contracts than is actually the case.

## 'Truckmen's Waldorf' Seen as Safety Aid

### New \$750,000 D. C. Terminal Conceived by Markel Service, Truck Insurers

WASHINGTON — Opening of the new \$750,000 highway transportation terminal here marked the realization of a concept which originated with Markel Service, Inc., long haul truck insurance specialists, with the aim of promoting greater safety for truckmen and their trucks. The terminal covers every phase of motor transportation, including tire repairs and retreading, a 45-foot lubrication pit, the nation's largest scale, a railroad siding on the premises, gasoline tanks of 375,000 gallons capacity, and commodious warehouses for transfer or storage of merchandise. ICC Commissioner Eastman made his dedication address over a nation-wide hookup.

Markel Service will have an office in the terminal building and Markel inspectors will be on hand at all times to expedite loading and unloading of trucks and to help keep the risk in driving a truck and loading minimum. With the Washington terminal as a model, Markel Service is working to promote the construction of 400 of these terminals at strategic locations from coast to coast.

For the truck drivers the new terminal offers a modern hotel's comforts plus recreation facilities of a private club. There are 50 beds in air-conditioned rooms, a restaurant open night and day, a barber shop, first aid emergency hospital with a nurse always in attendance. When a driver checks in he is assigned a locker, given a towel, clean sleeping garment, fresh linen and blankets. For all this and use of the club recreation facilities there is only a nominal charge of 50 cents a night.

Because of the many trucks of its clients going to or through Washington, officials of Markel Service feel that the efficiency of its inspection service will be measurably enhanced. The Markel highway inspection service will, of course, continue. Not only will the present and future terminals provide for improved inspection service but experience should be improved because trucks can leave a terminal fully serviced, or repaired if necessary, with an alert, fully-rested driver at the wheel.

Kenneth Reutlinger, son of Adolph Reutlinger, head of the Liberty Insurance Agency, Louisville, was married at Glenview, Ky., to Miss Stannye Rodes. Kenneth joined the agency last year following graduation from college, and is secretary.

## Newly Appointed Assistant Secretaries of Hartford Accident & Indemnity



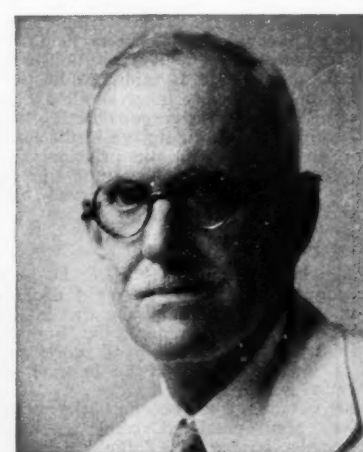
R. W. MULLEN



C. M. O'DOWD



NEIL J. BROWN



C. W. COLLIER



## New Compensation Bill Is Debated

### Consider Advisability of Alternate Measure on Massachusetts Ballot

BOSTON—The legislative committee on state administration devoted a full day to a hearing on a compulsory compensation bill sponsored by the Massachusetts Industrial Council. If passed, it would be placed on the ballot in the fall of 1942 as an alternative to labor's monopolistic state fund bill.

Opinion was divided as to the wisdom of presenting an alternate bill for referendum, or of allowing the state fund referendum to stand alone with insurance interests consolidating their efforts to defeat the measure on a straight out and out fight. The importance of a "Yes" vote on a referendum was stressed as being an advantage to labor and opinion was about divided as to whether the public should be given a chance to express its preference for some other form of a workmen's compensation measure.

#### Ten Page Bill on Ballot

Labor's bill is some 10 printed pages long and must go on the 1942 ballot in full. The situation has led to the introduction of a bill to give the attorney-general power, in the future, to formulate a concise and simple statement covering the purpose of a referendum to go on the ballot in place of the complete text of an initiative petition.

John W. Downs, representing the Massachusetts Industrial Council, explained that the new bill would make compensation compulsory for all employees except farm laborers and domestics, employees of railroads, express companies, and other common carriers, state, county, city and town employees and, a new excursion, office workers. Protection can be secured by insurance or by three self-insurance plans: Furnishing proof satisfactory to the state treasurer of financial responsibility; keeping securities on deposit with the state treasurer; or furnishing the state treasurer a surety bond.

#### Present Rates Would Prevail

Present benefits and rates, and authority of the industrial accident board on adjustments would prevail.

In order not to conflict with such action as may be taken by the voters on the labor state fund referendum it is provided in the bill that it shall be in force and effect only in case labor's monopolistic state fund referendum is killed.

Representatives of large corporations favor the bill as putting the stamp of recognition and supervision over self insurance plans, in effect in many of these large concerns. They are satisfied with the present conditions and only favored the measure because of the fear that labor's bill might entirely wipe out self insurance.

Deputy Commissioner Cogswell strongly opposed the bill, largely on the provision for self insurance. If the larger and stronger corporations are not to take out insurance with insurance companies, he said, it will mean that the smaller and more hazardous risks will all be thrown together and create excessively high rates, he held. Criticism was also voiced on the plan to place final decision in the hands of the state treasurer as to the financial responsibility of self insurers, rather than in the insurance department or industrial accident board, either of which would be more qualified.

G. L. Barnes, Associated Industries, was opposed to an alternate measure on the ballot and believed the voters should have a chance to vote squarely on whether the state was going into the insurance business or not.

One member of the legislative committee was much concerned over the

## Demolition of Postal Building in Chicago Elicits Insurance Memories

By C. M. CARTWRIGHT

The demolition of the Postal Telegraph building south of the Board of Trade building in Chicago brings to mind it was the quarters of some western departments a number of years ago. It was then the Rialto building. Occupying the top floor was the western office of Continental. The manager and assistant sat at the rear on a platform, there being no partition separating them from the large working area.

J. J. McDonald, husky, gangling, red-headed Scot, reigned there, a character as unique as could be found. George E. Kline was assistant. In its earlier days the scholarly, urbane F. C. Moore was president of the company and it in a measure reflected his amiable traits. In the offing, however, was Vice-president Henry Evans, who was the successor. He ruled with an iron hand. He kept the organization in a state of fear. He was hyper-critical and ruthless. With all that he was a shrewd and successful underwriter and able company head. He developed into a wise financial officer.

#### Geo. E. Kline at the Helm

When Mr. McDonald became western manager of Connecticut Fire, a very strange move on its part, Mr. Kline sat at the helm and called C. R. Tuttle from the Missouri field to be assistant. Mr. Kline was one of the few men of that era who had no field experience. He was a most handsome man. As he was standing on an Illinois Central platform one morning waiting for his suburban train, an engine came along pushing a freight car with a pole. The pole broke, hit Mr. Kline in the face. He was seriously injured and after that his facial appearance was badly disfigured.

President Evans called him to the head office to be vice-president. This started that procession of able lieutenants that ascended the mountain and in due season were given an abrupt descent.

Mr. Tuttle was placed at the helm. At that time Continental followed the custom of having a box containing all the mail for the head office and one for the western office sent by express. Mr. Tuttle would not open the Henry Evans package until 4 p.m. so that his day would not be upset by a savage letter. During the Tuttle regime President Henry Evans constantly played C. R. Street, who was manager of Fidelity-Phenix, against him, seemingly taking great glee in intensifying the rivalry with no advantage to any one.

When Mr. Tuttle resigned to become western manager of North America, Fred W. Koeckert, who was Mr.

Street's assistant, was assigned the leading role. Mr. Koeckert often remarked that as he first strode up the aisle to his office, he could but feel the fear that gripped the examiners, almost terrorized by Mr. Evans' post mortems in case of loss. He stated then that he knew the company was refusing and cancelling much business that it should have retained but the examiners did not want to take any chances.

J. R. Wilbur, who had started as an engineer, was Mr. Koeckert's assistant. He resided in Evanston and at the outbreak of the war was drilling a company of home guards, he being the captain. He did a most efficient piece of work. THE NATIONAL UNDERWRITER in an issue had a story about Mr. Wilbur's successful handling of this company. President Evans read this and in his most sarcastic manner wrote Mr. Wilbur he must choose between a military career or Continental. Mr. Wilbur was taking no time from business but was giving late afternoons and evenings to this work as a patriotic duty. At that time Mr. Evans was waving the flag most vigorously and was an American, rampant. Mr. Wilbur resigned as captain with his spirit crushed.

Mr. Koeckert was the next man called to the home office, only later on to be beheaded without ceremony.

Mr. Wilbur succeeded him. It was at this time that Mr. Evans erected a building outside the loop. He took it for granted that other departments would move there. Hence the America Fore erected a building at 844 Rush street. A. A. Maloney was called in from Kansas City to be Mr. Wilbur's assistant. Shortly he was transferred to the Pacific Coast as manager there.

E. A. Henne, present western manager, was the next assistant. He had been brought into the department in 1919 as executive special agent. The office was moved to the new building during Mr. Wilbur's administration.

#### Atlas a Rialto Company

One of the early tenants in the Rialto building was the Atlas with J. M. Neuburger as manager. It later moved to the Manhattan building on lower Dearborn street, that becoming a popular insurance headquarters. When Atlas purchased the Manchester, the latter was located in the New York Life building. Atlas then took over that office. T. W. Eustis was Manchester manager and he made life miserable for Mr. Neuburger until the former resigned to become western manager of Georgia Home. Geo. E. Haas, now with the Illinois insurance department, was a field man for Atlas, was called to departmental headquarters and suc-

(CONTINUED ON PAGE 35)

possibility of service companies being able to come into the state and operate without being licensed, maintaining that such concerns were paid a fee based on how much they could cut down the benefits paid workers. Counsel J. W. Cronin, Liberty Mutual, pointed out that the bill would repeal the act passed in 1935 outlawing aggregate stop loss contracts which are advocated by service companies in influencing state employers to get out from under the act. Mr. Cronin said introducing self insurance as a substitute for labor's bill is a tragic blunder, and instead of giving strength to the act it will bring in a flock of cripples under the measure. He disagreed with Counsel Downs that the measure would increase the business of the companies writing compensation insurance and believed it would rather decrease their writings. The shabbiest part of the bill, Mr. Cronin declared, is in allowing the state treasurer to pass judgment on self-insurers.

Leslie Hemry, counsel American Mutual Liability, declared the bill takes

away rate making power from the commissioner of insurance and would open up competition on workmen's compensation rates, which is undesirable. He favored placing the responsibility of administering such an act on the industrial accident board.

#### Postpone Effective Date of New Act

LITTLE ROCK, ARK.—Referendum petitions have been filed by the Arkansas Federation of Labor to stay the effective date of the new law requiring compensation claimants to employ counsel and permitting fire and casualty companies either to employ counsel in adjusting claims or to select adjusters who are licensed to practice law. The bill will go on the ballot at the 1942 general election and it is believed that it will be rejected due to widespread opposition.

Governor Adkins, formerly an insurance man, said no protest was filed against the bill when it was on his desk for signature.

## Hold Parleys on Graded Expense

### Committees of Producers and Companies Confer During Three Days

NEW YORK—The special committee of the National Association of Insurance Agents in connection with the graduated company expenses and agents commissions held a series of three meetings here this week. The full committee was in attendance when the first meeting started Monday morning, including Ralph W. Howe, Richmond, chairman; W. Herbert Stewart, Chicago, vice-chairman; George W. Carter, Detroit; William T. Ashby, Newark; McAlister Carson, Charlotte, N. C.; Will S. Keese, Jr., Chattanooga, and G. S. Purifoy, Camden, Ark.

The committee met by itself that day. On Tuesday a joint meeting of the committee was held with committees of the National Association of Casualty & Surety Agents and the National Association of Insurance Brokers. On Wednesday the committee met jointly with the special company committee on the subject representing the Association of Casualty & Surety Executives, of which Sanford B. Perkins of Travelers is chairman.

The meeting of the N.A.I.A. committee is the first full formal gathering of the body since its appointment several months ago. The subject first received discussion at the meeting of the executive committee of the National association at the time of the Buffalo convention in the fall of 1940 and subsequently representatives of casualty and surety companies met with a sub-committee of the executive committee in New York in November, 1940, to explore the situation and lay the groundwork for further discussion. Following that there were further conferences on the topic during the mid-year meeting of the National association at Oakland in April. It is believed that the meetings this week brought a good measure of progress.

Those representing the casualty agents in the body included Wade Fetter, Charles H. Burras and L. H. Webb of Chicago. J. F. Brennan, vice-president of Rollins Burdick, Hunter, served as chairman of the brokers group.

A further meeting will be held in advance of the next convention of the National Association of Insurance Agents.

## New Move in Chicago Cost Control

A special dinner conference was held in New York Tuesday that was attended by the chief executives of a number of casualty and surety companies to consider the Chicago acquisition cost situation. The group was called together by the committee that is headed by W. E. McKell, president of New York Casualty. It included the heads of several companies that have either declined to be bound by the Chicago agreement or else have been non-committal and have kept aloof from the situation.

There is a real determination in important quarters to create an effective control in Chicago and some believe that the success of the program now hinges upon its acceptance by only five or six of the companies.

The McKell committee the other day received a message from the governing committee of the Chicago Acquisition Cost Council to the effect that more than 40 companies have now accepted the agreement and that five or six are remaining aloof. The message stated that the Chicago people have no means at their disposal locally to win over the outside group and that this is a head office problem.

## FIDELITY AND SURETY

### Try to Reach Sureties in Chicago Tax Situation

A number of suits pending in courts in Chicago represent a new effort by members of the public to reach surety bonds issued to protect a municipality.

Tax anticipation warrants were issued against two Chicago school board tax levies made in 1929 and sold. When collections were made in 1931 and subsequently, they were not large enough to cover warrants.

Holders of the warrants tried several methods of collecting their money before suing 15 surety companies and school board officials. A state statute authorizing a bond issue to satisfy the warrants was declared unconstitutional by the Illinois supreme court. Another statute authorizing a bond issue to pay judgments secured by warrant holders, was also held unconstitutional. One holder of warrants secured a federal injunction against payment of warrants by the numerical method; that is, in the order of their purchase, since it was evident that there was not going to be enough to go around.

The federal court held that the pro rata basis of payment was proper, and that the board of education was liable for payments of warrants. However, on appeal, the federal court remanded this case because the lower court had incorrectly figured the liability running to the warrant holder. Before retrial of the case in federal court, the Illinois supreme court decided that the board of education was not liable for the payment of tax anticipation warrants. This opinion is considered conclusive.

In the meantime also the legislature amended the tax anticipation warrant statute making warrants payable consecutively. There had been nothing in the law or any court decision theretofore clarifying the legality of making warrants payable numerically, but this has been the procedure since 1874.

Now warrant holders are trying to reach the \$2,000,000 bonds of two city treasurers in office during the period involved, in order to collect their money. The city treasurer in Chicago is ex-officio treasurer of the school board.

Contention of plaintiffs is that the city treasurer should not have paid taxes to warrant holders on a consecutive basis, and that some of the payments were illegal because warrants exceeded the constitutional limit of 75 percent of the tax levies.

Defendants contend that the city treasurers did what had been custom for many years, that plaintiffs have no right to sue under the bond because it was issued for the protection of the city, funds which should have been used to pay the warrants were used by the city, and any warrants issued over the constitutional limit were issued illegally and therefore no liability exists on that portion.

### Honor Zimmerman in Los Angeles

LOS ANGELES—The Surety Underwriters Association of Southern California at its meeting Wednesday honored A. I. Zimmerman Los Angeles manager of American Surety, who is celebrating his 30th anniversary with the company. He has been in Los Angeles 18 years.

Mr. Zimmerman was born near Columbus, O., in 1881. Following experience in banking and law practice, he entered the service of the American Surety in 1911 at Springfield, O., as attorney. He was made manager at To-

ledo in 1912, transferred to Kansas City, as manager in 1915, and came to Los Angeles July 1, 1923.

Mr. Zimmerman has served as president of the Surety Association, assisted in organizing the casualty and surety acquisition cost conferences of southern California and has served as an official of both organizations.

### Open Bids on Big Dam

LOS ANGELES—Morrison-Knutsen Co., Ford J. Twaits, Winston Bros. Co. and J. F. Shea Co., joint bidders, had the low bid on the contract for the Santa Fe dam in eastern Los Angeles county when the bids were opened by the U. S. engineers' office in Los Angeles. The bid was \$8,837,000.

The bond was originated by Fidelity & Deposit Co., Aetna Casualty, Hartford Accident and Pacific Indemnity, which will write the payment and performance bond when the contract finally is signed.

### N. J. Surety Men Play Golf

About 90 attended the annual golf outing of the Surety Underwriters Association of New Jersey which was held

at the Knoll Country Club in Boonton. It was an all day affair and prizes were awarded after dinner to Edwin H. Charles, manager of the bonding division of Indemnity of North America, and Paul Parris, manager of Fidelity & Deposit, Newark, both as winners in the kickers handicap. John Kirkwood, secretary Towner Rating Bureau; E. Vernon Roth, secretary Surety Association of America, and Alexander Foster, Jr., Association of Casualty & Surety Executives, were guests. Harry Vernoy, manager of the bonding department of the Loyalty Group, Newark, was in charge of arrangements.

### Probate Judge Cleveland Speaker

CLEVELAND, O.—Nelson J. Brewer, probate judge of Cuyahoga county, addressed the Surety Association of Cleveland on "Surety Companies and the Probate Court." He reviewed the new laws pertaining to bonding business as far as the probate court is concerned. Among other laws he discussed joint control and investments for fiduciaries. Rules and regulations of probate court were also outlined.

Otto Hartwig, safety and social security supervisor of the Crown-Zellerbach Paper Company, will discuss the work-

### New Auto Liability Form May Be Delayed Slightly

NEW YORK—Release of the revised standard automobile liability policy may not occur as early as expected, because of two considerations. Automobile underwriters are disturbed by a recent Michigan court decision, holding that the liability policy obligates the company to defend the assured, even in cases where the accident is obviously excluded from the policy coverage. Hawkeye Casualty was the company involved in this case. It is felt by some that the defense clause may have to be revised to make it clear that the intent of the company is to provide defense service only where the liability of the assured, if any, is covered by the policy.

There is also some question as to whether the present clause amending the policy to conform with the terms of any applicable financial responsibility law is sufficient under the new York law. Most insurance men feel that it is, but consideration of this problem may further delay the promulgation of the new policy.

men's compensation act at the University of Portland's institute of industrial relations June 29-July 12.

## DEPENDABILITY IN

## ALL THINGS

## AT

## ALL TIMES

Established 1897

*Continental*  
CASUALTY COMPANY  
CHICAGO, ILLINOIS

Affiliated with

CONTINENTAL ASSURANCE COMPANY

### S. ALEXANDER BELL

Associated with

BAUMANN, FINNEY & CO.

Certified Public Accountants

Insurance Accounting, Audits and Systems  
208 South La Salle Street, Chicago, Illinois  
Telephone: Central 1370





IT'S THE  
*Extras*  
THAT BRING  
THEM BACK!

Find out HOW Emmco helps agents build business and increase renewals . . . Get the details about Emmco features and practices . . . Write TODAY for a complete outline of the profitable Emmco Plan.

E. M. MORRIS  
PRESIDENT

T. F. SHORTALL  
AGENCY SUPERINTENDENT



KARL BRECHT  
SECRETARY

C. L. SCRANTON  
MGR. UNDERWRITING DEPT.

STEADY CUSTOMERS—the kind that come back time after time without repeated selling expense—are won and held by giving service that satisfies in every way. Steady *insurance* customers—the better, more profitable kind—just naturally gravitate to agents who offer the unusual features and the good-will-building practices made possible through Emmco. Emmco features and practices include: (1) An *extra* service which helps agents win out over competitors. (2) A double profit opportunity for you, the agent. (3) A prompt and fair adjustment policy, carried out by specialists in automotive adjustments. You can see why Emmco is the nation's fastest-growing automobile insurance organization . . . why so many names of old, established firms are on the expanding Emmco agency list.

# Emmco

HOME OFFICES: SOUTH BEND, INDIANA

EMMCO CASUALTY INSURANCE CO., INC. • EMMCO INSURANCE CO., INC.

## Fund to Pay Hospital Bills for Indigents in Oregon Is Believed a Dangerous Step

The Oregon law collecting an extra 50 cents on drivers licenses every two years to pay the hospital bills of indigent persons injured in automobile accidents is a source of concern to insurance men.

The 50 cents goes into a "motor vehicle accident fund," administered by the state Industrial Accident Commission, which handles workmen's compensation. The hospital whose account remains unpaid for 90 days presents its bill to the commission, which pays it out of the special fund.

The act broadly defines "motor vehicle injury."

For five years Ohio has had a law similar to Oregon's. In Ohio the hospital must present with its bill to the motor vehicle commissioner an affidavit that the person is indigent.

### May Expand Scope

Insurance men, while recognizing the need of hospitals forced to bear the burden of this type of unpaid bill, still feel that such laws as Ohio's and Oregon's can easily lead to expansion to cover all automobile accidents. They regard them as a first step in the direction of compulsory and state-controlled insurance.

In Oregon insurance men furnished the only vigorous opposition. Two years ago a similar bill was defeated.

Much of the pressure to pass the Oregon act undoubtedly came from hospitals, which cannot refuse emergency care to injured persons because they are unable to pay their hospital bills.

During the campaign on the bill the statement was made that Oregon hospitals in 1940 lost about \$100,000 caring for indigents. This was largely outside Portland, which has the only "county hospital" in the state. Most indigent cases in the city are handled there. However, privately owned hospitals of Portland claimed to have lost more than \$15,000 in 1940 on indigent cases.

The act stands as a constant suggestion, it is felt, to legislators and others to expand its scope. It is in itself "a small bite," but is a continuing appetizer to further consumption. Since it is intended to benefit only a single group, some regard it undesirable as class legislation.

### Canadian Air Group Expands

Canadian Surety is now a member of the Canadian aircraft insurance group for which the Canadian Aviation Insurance Managers, Aldred building, Montreal, serve as managers. In addition to Canadian Surety the other companies in the group are Aetna Fire, Automobile, British America, Hartford Accident, Hartford Fire, North America, Maryland Casualty, National Union Fire, North River, Phoenix of Hartford, Providence Washington, Springfield F. & M., St. Paul F. & M., Travelers Fire, Travelers Indemnity, Travelers, U. S. Fidelity & Guaranty, U. S. Fire and Western of Canada.

### Analyze Page-Anderson Law

The New York Board of Trade has sent out to its members and other business men an abstract of the new Page-Anderson financial responsibility law of New York that goes into effect Jan. 1. It is prepared in a question and answer style and gives a clear explanation of the most important features of the law. The New York Board of Trade was the agency through which the advocates of the law directed their efforts in getting it passed.

### North Central Mutual Figures

In the Automobile Edition of THE NATIONAL UNDERWRITER, which was published under date of April 21, a mistake was made in reporting the net automobile premiums of the North Central Mutual of Boone, Ia. The net premi-

## Haley & Sons Manager 25 Years in Insurance



C. E. FURER

C. E. Furer, newly appointed member of the firm and manager of the insurance department of John C. Haley & Sons, Madison, Wis., is an insurance veteran of a quarter of a century.

Mr. Furer began his career prior to the world war as claims investigator for Fidelity & Deposit in New York. Returning from overseas service, he became associated with Aetna Casualty at Hartford and in 1919 was sent to Milwaukee as special agent of that company. From 1927 to 1929 he served as supervising underwriter there and for the past 12 years has been superintendent of agents for Wisconsin.

## Court Ruling Bears on Ill. Dram Shop Liability

The Illinois supreme court has refused to grant a review in the dram shop case of Klopp vs. Benevolent Protective Order of Elks, Lodge No. 281. This makes final the opinion of the Illinois appellate court that the defendant lodge was liable for injuries to a member occurring in the course of what the court described as a "drunken brawl."

Defendant's insurer, Lloyds, contended that the injury was not the result of the sale of intoxicating liquors but of an independent, intervening cause; namely, a malicious assault by a non-intoxicated person. According to the appellate court the injuries sustained by an innocent person in a common brawl caused by the use of insolent and insulting language by an intoxicated patron was a ground of liability whether or not the injuries actually inflicted were caused by the action of a guest who was not intoxicated and who joined in the brawl.

A similar phase of dram shop liability is pending in the state supreme court in the case of Thompson vs. Chicago Title & Trust Co. decided in lower court adversely to Lloyds. Defendant has filed a petition for leave to appeal to the supreme court, but this petition won't be heard until the October term. In that case the suit was successfully prosecuted by the wife and children of an intoxicated patron who was injured by the proprietor of a tavern while the proprietor was attempting to make the intoxicated patron stop arguing with and threatening other patrons.

Contention of Lloyds' attorneys in that case is also that the injuries were not due to intoxication but were due to the independent act of the proprietor in striking the intoxicated patron.

ums written in 1940, \$93,810, was an increase of \$14,484 over 1939 instead of a decrease of \$978 as incorrectly shown.

## New Turn in Effort to Keep State Farm Out of Wis.

MADISON, WIS.—Opposition of Commissioner Duel to licensing of State Farm Mutual Automobile of Bloomington, Ill., has taken another turn. The attorney general's office has filed a complaint charging that two legislators sought to influence Governor Heil to force Commissioner Duel to issue a license to the company. The two legislators acted "in a dual capacity as members of the legislature and attorneys for the company," the complaint charges.

Commissioner Duel's amended pleadings were allowed by circuit Judge Murphy, and date of trial was set for July 7.

Attorneys for the companies, James Kerwin and Herbert Naujoks, Milwaukee, and Robert Rieser, Madison, termed the amended pleadings "scandalous" and "impertinent," and said the Duel charges could not be established. Company attorneys have examined Lloyd Yaude, insurance department actuary, to gather more facts and will examine Mr. Duel and John Lange, one of his assistants.

State Farm Mutual Automobile was granted a license by former Commissioner Mortensen in July, 1939. When it expired May 1, 1940, Commissioner Duel refused to renew it. The company is operating in the state under a court stay of Duel's order refusing a license.

Commissioner Duel charges that State Farm's plan of assessing life membership fees in its underwriting of automobile business does not comply with Wisconsin laws.

The new complaint is offered as an addition to Duel's suit, started last year, to prevent the company from operating in the state.

## North American Accident Holds Midwest Conference

About 175 attended the mid-west conference of North American Accident at Excelsior Springs, Mo. Quite a number of far western agents attended.

The first day's business sessions were conducted by George F. Manzelmann, president. Appearing on the program were several agents: R. L. Young, Denver, "Looking Back at a Year's Work;" J. B. T. Martin, Spokane, "Collecting Renewal Premiums by Mail;" Ethel Shontz, Los Angeles, "Agency Short-Cuts Produce Profit;" Bill Robertson, Oklahoma City, "Selling Teachers—Annual Premiums," and J. L. Dunscomb, San Francisco, "As Was—Is Now."

A feature of the first day was a "Battle of the Sexes" between home office girls and general agents.

Round table discussions on the second day were quite lively and informative. Home office representatives led in the discussions: "Sales Plans, Prospecting, and Home Office Helps for the Salesmen," S. Robert Rauwolf, assistant agency director; "Underwriting Slants," Catherine O'Connell, underwriter; "Underwriting Women Risks," Elizabeth Lindstrom, manager women's policies department; "Problems in the Accounting Department," Margaret Nelson, cashier, and "Claims," Nell Harman, claims department.

The program included a banquet and various recreational activities during the 2-day session.

Others who attended from the home office were A. E. Forrest, Jr., vice-president, and Mrs. M. K. Gordon, chief of the claim department. Mrs. Manzelmann accompanied President Manzelmann to the convention.

## N. J. "Comp." Bill Becomes Law

A New Jersey bill which fixes at \$8,500 annual salaries of the deputy commissioner of compensation and gives the commissioner, compensation deputies and referees exclusive original jurisdiction in workmen's compensation claims has become a law.

# LEGISLATION

## Ill. Likely to Get Increase in Compensation Benefits

One of the bills in the Illinois legislature which is pretty certain to pass provides for a 10 percent increase in workmen's compensation benefits, death benefits, weekly payments, etc. This is a bill on which insurance companies, labor and employers have agreed. The increase, if passed, is not expected to result in any increase in rates, at least not at present.

Other casualty bills which appear to have some chance of passing include one making a parent responsible for acts of a minor child while driving an automobile. The senate has passed a bill providing that an employee can choose his own physician under the workmen's compensation act. Another bill would add 300 state highway police and pay them from a fund created by a tax of 2 percent on all automobile casualty premiums.

## Michigan Bills Signed

LANSING, MICH.—Governor Van Wagoner has signed several bills. One act suspends indefinitely the pre-depression law providing that banks must post depository bonds for deposits of public funds. Another new act requires collection agencies, whether individuals or corporations, to post \$5,000 bonds for protection of their clients. The law will not apply to attorneys, financial institutions or fiduciaries.

A state safety commission to study traffic conditions is created by another measure.

Illinois—Insurance companies incorporated in states which do not permit Illinois companies to operate within them would be forbidden to do business in Illinois under a bill introduced in the legislature by Senator Bidwill, chairman of the senate insurance committee.

The bill would amend section 444 of the Illinois insurance code to add:

"Whenever any other state or country shall refuse to permit any insurance company incorporated or organized under the laws of this state to transact business according to its usual plan in such other state or country, the director may, if satisfied that such company of this state is solvent, operating legally and properly managed, forthwith suspend or cancel the license of every insurance company doing business in this state which is incorporated or organized under the laws of this state to transact in this state against any of the risks or hazards which are sought to be insured against by the company of this state in such other state or country. The director shall not reinstate or license such companies of such other state or country as to such risks or hazards until the company of this state has been granted permission to transact such business according to its usual plan in such other state or country."

Some observers point out that such a law might be helpful to State Farm Mutual Automobile of Bloomington, Ill., which has had a running controversy in its efforts to operate in Wisconsin.

## N. Y. Casualty Men Have Outing

More than 185 attended the annual golf outing of the Casualty & Surety Club of New York at Tamarack Country Club, Port Chester, N. Y. This was the largest turnout that the golf outing has chalked up. A. L. Peirson, office manager of Massachusetts Bonding, won the president's trophy which was given for low gross 36 hole medal play. Twelve other prizes were also awarded. Luncheon and dinner were served and J. E. Lewis, president, presented the prizes after dinner. John P. Madigan, Fidelity & Deposit, was in charge of arrangements.



## Hartford Live Stock Marks 25 Years of Work

Hartford Live Stock, which is a unique institution in the insurance business, is currently marking its 25th anniversary in the business. The executives had given some consideration to some special festivities for the occasion but they decided against it.

The company was organized as a New York institution. Prior to its organization a combination policy had been issued by Hartford Accident and Hartford Fire to provide live stock mortality insurance, so that the experience of the Hartford group with this line goes back 35 years or more. Robert H. West is general manager of Hartford Live Stock. He resides in Cincinnati and has been with the Hartford group about 35 years. He goes to Chicago frequently which is now the head office of the company. Mr. West also has important duties in connection with the live stock transit insurance of the Hartford group, which is written through the marine department of Hartford Fire. This includes the insuring of live stock in transit to the yards.

Dr. W. H. Timmons is general agent for Hartford Live Stock with headquarters in Chicago. He has been with the company for about 23 years. Previously he was in the federal government service as veterinary. His son, Melvin Timmons, is special agent. When Dr. Timmons first went with the company he was connected with the general agency firm of Swain & Boyd. Then the general agency became Wayne & Timmons and finally it is Mr. Timmons alone. Another important factor in the company is C. J. Froebel, who is assistant general agent and has been with Hartford Live Stock since its inception.

Although Hartford Live Stock is intended primarily to offer facilities as an accommodation to Hartford agents, in the past four or five years it has been returning a profit. Before that the experience was not satisfactory. Its premium volume is currently running about \$700,000. At the peak it reached about \$1,000,000. At first the head office of Hartford Live Stock was in the east and branch offices were operated in Chicago, on the coast and in the south. Later the headquarters were removed to Chicago and the other branch offices were closed.

Hartford Live Stock is in the mortality insurance end of the business exclusively. It is the only stock company specializing in live stock insurance. The bulk of the mortality insurance today involves saddle horses, race horses, polo ponies, hunters, jumpers, harness horses and to some extent ordinary farm horses, mules and cattle.

Only about 15 percent of the race horses are insured. Many of them are not sound and the moral risk is an important factor.

Mortality insurance is never written for a period longer than one year. Claims are payable upon the death of the insured animal and the contract may be canceled at any time. There is no disability insurance involved.

The live stock insurance contract requires that when insured animals are injured or become ill, the owner must solicit immediately the services of a competent licensed graduate veterinarian. The agent or someone qualified to do so

must vouch for the good health and insurable condition of all animals proposed for insurance.

The prevailing rate is 5 percent for saddle horses (age limit 12 years); 6 percent for polo ponies, hunters and jumpers (age limit 12 years); 6 percent for race horses (age limit eight years); 7 percent for ordinary farm horses and mules; 8 percent with foaling hazard (mares used for breeding purposes can be insured up to 12 years of age); 5.5 percent for trotters and racers, the rate including transportation; 5 percent for breeding stock (rate does not include transportation or floater coverage; and

age limit on stallions and mares is 16 years); 5 percent for short term (30 days) foaling policy.

Three mutual live stock insurance concerns have been established in recent years in Louisiana, Mississippi and Arkansas. These companies are operated in conjunction with Farm Security Administration projects in those states. The insurance is available only to 23,000 low income farm family clients of the FSA for the protection of mules, other work stock and sires. The Arkansas and Louisiana associations provide 80 percent coverage and the Mississippi, two-thirds.

## Employers of Birmingham Purchases New Home Office

Employers of Birmingham, Ala., has purchased a new home office building in that city. A three-story brick building formerly occupied by Protective Life, it will be given a new front and a modernized interior. It is located at 2112 First avenue, North, and is expected to be ready for occupancy by the early fall.

New agents find National Underwriter training courses invaluable in mastering the business. Write for information on your line.



Well informed service and aggressive solicitation are definite agency requirements of this insurance merchandising era that are facilitated by Central Surety representation.

## CENTRAL SURETY AND INSURANCE CORPORATION

HOME OFFICE KANSAS CITY, MISSOURI

R. E. McGINNIS, President

SAN FRANCISCO

CHICAGO

NEW YORK

## PAYROLL AUDIT SERVICE

### K. L. PEARCE COMPANY

— Audits Since 1920 —

PROMPT — COMPLETE

Iowa, Minnesota, Dakotas,  
Nebraska, Illinois, Indiana

403 Keosauqua  
Des Moines, Ia.

330 So. Wells  
Chicago, Ill.

## Assail Non-Admitted Problem Spiritedly

(CONTINUED FROM PAGE 15)

type of institution. Lucas of Missouri said that the reciprocals in his state had urged the point that they should be permitted to operate on a non-admitted basis in any other state which does not permit reciprocals of any kind to be licensed, such as Massachusetts. Mr. Lucas replied that the reciprocals should not have that privilege. If a state is not willing to admit reciprocals, those institutions should not "elbow their way in."

Thompson of Oregon offered a model bill which prohibits a domestic insurance company from operating in any other state on a non-admitted basis. The members of the committee agreed that the effort should not be made to induce each of the states to enact identical legislation. That is a problem for each commissioner to handle with his own legislature, but each state should enact legislation to accomplish the purpose of that model bill. The report of the committee contained this bill and the convention adopted a resolution memorializing each commissioner to urge upon his legislature at the next session the adoption of such a measure.

### Attitude of Pink

Pink of New York said he is entirely sympathetic with the objective. If New York should enact such a law, he said, it would have a serious effect on Postal Life of New York and Commercial Travelers of Utica, both of which operate through the mail and which are licensed only in New York. These are legitimate institutions about which there is no complaint but Mr. Pink said that he would not hesitate to move against these companies if he were assured that the program of enforcement would be on a truly national basis. He said he would be distressed, however, to take action against these companies if enforcement were not national and the program did not result in elimination of fly-by-night organizations throughout the country.

Burt of South Dakota said that the statute of his state imposing a 5 percent penalty tax on purchasers of non-admitted insurance has had a good effect. The department has actually made such collections from buyers of non-admitted insurance.

It was brought out that legislation similar to that endorsed by the association, is now in effect in nine states and in Manitoba.

### Text of Detroit Resolution

The text of the resolution that was adopted at Detroit is:

Whereas, the transaction of unauthorized insurance business by foreign and alien companies is a source of great injustice to those insurers and their agents complying with the insurance laws of the several jurisdictions, and

Whereas, the transaction of such unauthorized business results in many cases in fraud upon and disappointment to an uninformed public, and

Whereas, the transaction of such unauthorized business denies to policyholders access to the courts or effective relief through the insurance departments of the several jurisdictions wherein such policyholders reside, and

Whereas, the transaction of unauthorized insurance business constitutes an offense against the spirit of the insurance laws and of the taxing laws of the several states and provinces, and

Whereas, the conduct of companies transacting such unauthorized business reflects on the whole institution of insurance, now

Therefore, be it resolved by the National Association of Insurance Commissioners that each insurance department of the United States and of the Dominion of Canada be requested to urge upon the law-making body of its respective state or province, at the next session thereof, the adoption of the

following suggested statute or a similar one:

Whenever the insurance commissioner of the state (province) shall determine after a hearing, ten days' notice of which shall be given stating the time, place and purpose of such hearing, that any insurer organized under the laws of this state (province), whether on the stock, mutual, reciprocal, fraternal or other plan, or that any of the representatives of such insurer willfully shall have transacted or attempted to transact or solicited business in any manner or accepted risks in any jurisdiction in which such insurer is not licensed in accordance with the laws of such jurisdiction it shall be his duty to revoke the certificate of authority of any such offending insurer; provided, however, that the foregoing provisions shall not apply to a domestic insurer when the major portion of such risks originated in a jurisdiction wherein such insurer was licensed to transact such class or classes of business and when such origin was by other means than by circularization or by advertising locally in any such jurisdiction wherein such insurer is not licensed.

The term "transacting business," as used herein, shall be defined to include, in addition to its usual interpretation, advertising locally in any foreign jurisdiction in which an insurer is not licensed or circularizing in any such jurisdiction without regard for the source of such circularization whenever such advertising locally or such circularization is for the purpose of solicitation of insurance business.

## Bach President of Fidelity & Deposit

(CONTINUED FROM PAGE 15)

special business course in Rock Hill College, Ellicott City. He held his job as stenographer for only two months, then being promoted to a clerkship in the public official department. After six months in that position, he was sent into the field as a special agent, serving in that capacity for eight years. In 1910, the company called him back to the home office and made him superintendent of the public official department. A few months later he became superintendent of the contract department and at once started to build up the organization which has since made the F. & D. one of the country's leading contract bond writers.

He was elected an assistant secretary in 1911, and a vice-president in 1915. In 1925 he was given the title of second vice-president and at the same time was elected a director. In 1933, Mr. Bach who, in addition to exercising general supervision over the underwriting of all departments, had continued as active head of the contract department, relinquished the latter post in order that he might devote his entire time to the major underwriting problems confronting the company.

He has been a member of the F. & D.'s finance committee since 1935 and a member of its executive committee since March 1940.

Mr. Bach is widely known throughout surety circles of the country, and has long served as a member of the executive committee of the Surety Association of America. He has been particularly active for many years in selecting and training college men for surety work, believing that the field is especially rich for those trained in the law.

Mr. Bach's principal hobbies are golfing and growing fine roses. A brother, Joseph Bach, is connected with F. & D.

Mr. Miller, despite his 81 years, is still regularly active in the affairs of F. & D. He will have completed 50 years with the company Oct. 1.

### Okl. O. K.'s War Department Plan

The war department's cost-plus plan has been approved in Oklahoma.

## PERSONALS

Oliver R. Beckwith, counsel of Aetna Life, has been elected a trustee of Berkeley Divinity School at New Haven, Conn. Mr. Beckwith is chancellor of the Episcopal diocese of Connecticut.

Mr. and Mrs. Roy Fleeman of Miami, Florida state managers of the Mutual Benefit Health & Accident, stopped in Chicago on their way to the home office in Omaha. They have been taking quite an extended vacation trip, accompanied by their son.

The entire Wayne county (Detroit) circuit bench was present at ceremonies at which Hicks G. Griffith and his wife, Martha W. Griffith, both were admitted to the Wayne county bar. Both are employed in the legal department of the Detroit branch of American Automobile. They were married while they were students at the University of Missouri and later both worked their way through the University of Michigan law school.

Henry P. Jenks, son of M. L. Jenks, vice-president of American Surety, has been commissioned as an ensign in the navy and is now attending a special course at the torpedo school at the Bremerton, Wash., navy yard. Upon the completion of this course he will be assigned to active duty on one of the navy's ships. He completed his preliminary course at the U. S. S. Prairie State in New York City. He left the advertising business in Chicago to go into the navy. He graduated from Hamilton College in 1936.

Mrs. Eleanor Hodge, wife of Howard B. Hodge, New Jersey manager National Surety, with headquarters in Newark, is seriously ill in St. Barnabas Hospital. Mrs. Hodge suffered a brain hemorrhage last week. While her condition is considered serious, she is reported to be improving.

E. E. Conrad, 60, for 23 years an inspector of the Hartford Steam Boiler, died in Suburban General Hospital, Pittsburgh.

A. C. Supplee, Pittsburgh manager of United States Fidelity & Guaranty, was honored for his service with the company at testimonials at Bedford Springs Hotel, Bedford, Pa. President E. Asbury Davis and other home officials were present at the meetings, which were attended by about 200 agents in western Pennsylvania. Mr. Supplee has been with the Pittsburgh office 27 years. He is president of the Surety Association of Pittsburgh and past president of the Insurance Club.

Mrs. Estella Van Riper, director and manager of the general liability department of the State Automobile Mutual, Columbus, O., died there after an illness of several weeks. Her husband died in 1920 and the following year she became an agent of the company in Sidney. She went to the home office in 1924.

## Aviation Insurers Face Loss of Pilot Personnel

NEW YORK—Foreseeing their peculiarly vulnerable position because of the number of licensed pilots in their personnel, the aviation underwriting groups have been building up their head office and branch office staffs so as to be able to fill the gaps with a minimum of dislocation when pilot members of the personnel were called into service.

So far the aviation underwriting offices have been relatively fortunate. One reason why more pilots, whether having reserve officers status or merely a private or commercial license, have not been called to service is a lack of sufficient equipment to make it worth while.

### Many Girls Are Employed

While the aviation underwriting groups number quite a few World war pilots in their organizations it is not expected that any of these will be called because military flying requires younger men. In addition to the actual and potential depletion of personnel among those with pilot training the officers have to contend with the drafting of young men, whether they have flying experience or not. The usual practice is to replace these young men with girls where this is possible and with that end in mind the personnel departments have tried to hire girls equipped to step into better jobs than they are hired for. This has worked pretty well but it has been found that even though they are paid better than the job immediately warrants, the girls object to the work they are first given if it is not such as to challenge their abilities.

### Tire Guaranty Not Insurance

The Ohio supreme court held that the Standard Oil Company may issue guaranties with the sales of tires without violating the insurance laws. These guaranties may only represent that the article sold is so well and carefully manufactured that it will give satisfactory service under ordinary usage, and must not include happenings not connected with imperfections in the article itself. The state claimed that these guaranties amounted to insurance.

Miss Chlo Peterson of the Kansas City branch office of Business Men's Assurance has been elected vice-president of the Women's Chamber of Commerce there.

Opportunities  
for Salesmen in

# Income Insurance Specialists

48  
States

\* NORTH AMERICAN ACCIDENT  
INSURANCE COMPANY • 209 SO. LA SALLE STREET  
CHICAGO

REINSURANCE — EXCESS COVERS

## EXCESS UNDERWRITERS, INC.

JOSEPH P. GIBSON, JR.  
PRESIDENT

MORTIMER D. PIER  
SECRETARY

90 John Street

New York, N. Y.



## ACCIDENT AND HEALTH

### Waddell Is Elected Detroit President

DETROIT—Charles Waddell, manager Loyal Protective Life, was elected president of the Detroit Accident & Health Association at the annual meeting. He succeeds H. H. Jones, state agent Commercial Casualty.

A. W. Greenfield, General American Life, was elected vice-president; L. L. Williams, Inter-Ocean Casualty, secretary, and David R. Hoover, district manager Reliance Life, treasurer. Heretofore one man has been secretary-treasurer. Retiring President Jones was elected to the board, together with R. L. Long, Great Northern Life.

R. L. Lee, General Motors executive, talking on "Leadership, What It Takes," said all people are divided into two classes, potential leaders and followers. More important in attaining leadership than any other factor, he said, is the fundamental basic attitude toward other men.

He listed as the six main qualities necessary for leadership: (1) Respect for the limitations of others; (2) respect for the potentialities of others; (3) respect for the pride of others; (4) freedom from self-consciousness; (5) sincerity; (6) a leader must not be afraid to admit when he is wrong.

An interesting traffic safety demonstration was given by Dr. G. E. Bronson, aided by his dog, "Knee-Hi."

### Cincinnati Group Approves New National Constitution

The annual outing of the Cincinnati Accident & Health Association, with a golf tournament, dinner and a brief business session, was held at Summit Hills Country Club in Kentucky. Members expressed their approval of the new by-laws and constitution which will be submitted to the national convention at Los Angeles. Saying that the National association wants to protect the interests of the men on the firing line primarily, W. B. Cornett, Loyal Protective, Columbus, past president of the National association, called attention to the provision in the by-laws which will restrict membership to representatives of companies operating under the agency system. He condemned advertising of mail writing companies to the effect that agents' commissions are saved policyholders when insurance is bought by mail.

Ohio members comprise one-fourth of the membership of the National association and the state has more local associations than any other state, Mr. Cornett said in his address at the dinner. He reported the results of the work of the state association's legislative committee. When the medical expense bill was submitted to the Ohio legislature, it was backed with thousands of dollars by an organization interested in furthering it. The legislative committee of the association worked actively against the bill. Though unable to prevent its passage, the state association submitted 11 amendments. Nine were accepted in substance. The legislative committee also sponsored the bill in the legislature to prohibit domestic mail order companies in Ohio doing business in any other states. This is in line with the TNEC recommendation regarding elimination of mail order insurance selling.

Members are planning to strengthen the state organization so it will be in a position to combat actively legislation

adverse to the accident and health business at any time.

A man who wants to be licensed to write accident and health in Ohio now must take the entire casualty examination or life examination. The state association is working to change this so an applicant for license to represent a company writing only accident and health will be examined on disability only.

At the executive session of the directors, preliminary plans were laid for a sales congress to be held in either Cincinnati or Dayton in the fall. Some outstanding accident and health agent or agents may be honored at that time.

Out of town visitors included C. A. Sholl, president Globe Casualty and secretary of the National association, and J. P. Davis, manager group department, Mutual Benefit Health & Accident, Omaha. Mr. Sholl spoke of the serious problems which will confront the business in the future. He pointed out the importance of banding together for a unified fight for the best interests of everyone in the business. The best way to do this is to have strong state and local associations, he recommended.

### Laame Dayton Manager of Mutual Benefit H. & A.

Herschel R. Laame has been appointed manager of the Mutual Benefit Health & Accident and United Benefit Life in Dayton, O., and has already taken up his new duties there. He has been in the business about five years, the past two years as assistant manager of the Redfield Associates agency in Chicago, under Manager C. Truman Redfield, and before that in the home office claim department of the two companies in Omaha. He is a graduate of the University of Nebraska Law school and a member of the bar. He has been active in association work in Chicago. This makes the tenth managerial appointment from the Chicago agency since Mr. Redfield has been in charge there.

Because of the changes in personnel in his office made necessary by Mr. Laame's transfer, Mr. Redfield, who is on the program for the sales congress session of the annual meeting of the National Accident & Health Association in Los Angeles next week, will not be able to attend that meeting.

### Joint Hospital-Medical Care Plan Offered in New York

NEW YORK—Hospitals and the medical profession of New York City and of 12 adjacent counties have been invited to participate in a new non-profit hospital ward accommodations and medical service plan. The new plan is intended exclusively for workers of limited incomes and their dependents. Affiliated with the Associated Hospital Service of New York in this new enterprise is Community Medical Care, Inc., a new non-profit medical indemnity corporation which received its permit from the New York department June 4. It is headed by Dr. I. O. Woodruff, and will be managed by a board made up of 16 physicians and eight laymen, the physicians including six former presidents of

#### WANTED GROUP DEPARTMENT MANAGER

Strong Middle Western Company wants manager for group A & H Department. Give experience, references and salary requirement in first letter. Address N-58, The National Underwriter, 175 W. Jackson Blvd., Chicago, Ill.

#### WANTED EXPERIENCED COMPENSATION UNDERWRITER

Inspection or bureau training preferred. Write or call. Lumbermens Mutual Casualty Co., 4750 Sheridan Road, Chicago, Illinois.

#### CASUALTY ADJUSTER WANTED

By old established independent Chicago firm. Splendid opportunity for experienced man. Answers must state age, experience, education and salary expected. All answers will be treated confidential. Address Box N-61, The National Underwriter, 175 W. Jackson Blvd., Chicago, Illinois.

## COMPLETE PROTECTION

### A PROVIDENT Plan that

opens



DOORS



HEARTS

WALLETS



Providing all the benefits of  
Life Insurance plus Non-Cancellable  
Disability, in a single plan.

**PROVIDENT**  
Life and Accident  
Insurance Company  
Chattanooga—Since 1887—Tennessee

Every Tavern Keeper and  
the Owner of Every Build-  
ing in Which Liquor is  
Served — Be it Tavern,  
Club, or Restaurant, Has



*Cause  
for*

*Celebration!*

**SAVING IN COST OF INSURANCE!  
BOOST IN INSURANCE RATES REVOKED!**

To Prevent FINANCIAL RUIN Due to  
DRASTIC ILLINOIS DRAM SHOP ACT  
INSURANCE MUST BE CARRIED.

THE COST OF INSURANCE IS IMPORTANT.

**FOR LOWEST RATES  
MOST LIBERAL CONTRACT  
SOUNDTEST PROTECTION**

ADDRESS

**A. F. SHAW & CO., INC.**

CHICAGO, 175 W. Jackson Blvd. Phone, WABASH 1068

county medical societies in greater New York.

As soon as enough hospitals and physicians sign up, the plan will be offered to groups of workers in industry, many of whom have been asking for a prepayment plan within their means which combines hospital service and professional care in illnesses requiring hospitalization.

To cover medical fees, which are not included under the 3-cents-a-day plan and which are a particular feature of the new combined plan, subscribers to the community ward plan will pay to the Community Medical Care, Inc., subscription rates identical with those to be paid Associated Hospital Service for hospital care. Thus, the rates for combined coverage, including hospital service and all necessary medical care during the subscriber's hospital stay as provided for in the contract, will be \$12 a year for individuals and \$27 for families, regardless of the number of dependent children under age 18.

Because of the reduced rates subscribers will be limited to single persons with incomes of \$1,200 or less, couples with combined incomes of \$1,680 and families including children with incomes of \$2,100 or less. Hospital service and medical care will be offered only under a combined contract.

### Hoodoo Day Records Set in Seattle Campaign

SEATTLE—Hoodoo Day was observed in record-breaking fashion in Seattle. Production is expected to exceed previous campaigns, according to officers of the Seattle Accident & Health Managers Club.

At a kick-off dinner the night before the big drive started, five leading accident and health underwriters spoke: H. L. Quigley, Northern Life; Linus A. Pearson, Northern Life; W. A. Albert, Aetna Life; C. W. Rogers, Business Men's Assurance, and W. N. Boyd, Aetna Life. To wind up the inspirational program, Lloyd A. Perkins, general agent Pacific Mutual, spoke. Dwight Mead, Pacific Mutual, officiated as toastmaster, and R. R. Matthews, president of the club, presided.

### Hureau New A. & H. Head of New Amsterdam

W. J. Hureau has been appointed superintendent of the accident and health department of New Amsterdam Casualty at Baltimore. Mr. Hureau has been with American Casualty in the same capacity for the past 3½ years. He succeeds F. G. Burgoyne, who died March 16 after a lingering illness.

### Gives Definition of "Reimburse"

To eliminate confusion or misunderstanding in regard to hospital and medical reimbursement coverages, the Hoosier Casualty has announced that it will construe the word "reimburse" as meaning that the company will pay to the insured the amount of medical or hospital expense provided by his policy, without any reference to the question of third party liability and without question as to the recovery by the insured of the amount of his medical expense from other source. It is hoped that this will simplify and speed up claim settlements and do away with controversies which have arisen in the past.

However, standard provision 17, which allows the company to prorate if the insured has similar coverage in another company and does not notify it of that fact, will be operative in connection with these coverages.

### Chicago Association's Outing

The annual outing of the Chicago Accident & Health Association last Thursday at the Crystal Lake Country Club was one of the most successful ever staged, with 53 playing golf and 66 at the dinner.

The dinner was combined with an "old timers night" observance, honoring

### Illness Causes 30 Times More Loss Than Strikes

MILWAUKEE—Illness caused 30 times more loss to defense production during the last year than did strikes and labor disputes, it was pointed out here at the annual meeting of the Group Health Federation of America. Loss from non-industrial illness was 4,000,000 work days.

former presidents and other officers of the association. Special tribute was paid to Armand Sommer, Continental Casualty, and E. C. Budlong, now executive secretary of the National Accident & Health Association, two of the earliest presidents of the Chicago association. The new officers, headed by C. F. Lundquist, Fred S. James & Co., as president, were formally installed.

The members of the Milwaukee association, Chicago Claim Association, and the large number of life men present were welcomed by D. E. Compton, R. B. Kegley and others. Golf prizes were awarded by A. D. Anderson, Occidental Life, who was in charge of the outing.

### New Newark General Agent

Estate Consultants Co., Inc., newly formed Newark agency has been appointed general agent of United States Life. The agency, with which the Sarbone-Silver Agency merged, is located in the Federal building, and writes life, accident, health and hospitalization.

The health, accident and hospitaliza-

tion lines will be handled by David Sarbone, agency supervisor, who has specialized in this field for many years.

### Portland Managers Elect

PORTLAND, ORE.—The Portland Accident & Health Managers Club has elected these officers: President, J. W. Martin, Loyal Protective Life; vice-president, J. J. Quillin, Security Life & Accident; secretary-treasurer, H. L. Carleton, Fireman's Fund Indemnity.

### World of Omaha in Utah

World of Omaha has now entered Utah and R. L. Jensen, who has been district manager at Flint, Mich., for Mutual Benefit Health & Accident, becomes agency manager for the state. Offices are in the McIntyre building, Salt Lake City. Mr. Jensen was at one time in the accident and health business in Utah.

### Claim Men Hear Heart Talk

LOS ANGELES—Dr. W. N. Anderson addressed the Los Angeles Life & Accident Claim Association on "Clinician's Experience With Heart Disease." He told of congenital heart trouble, acute endocarditis, inflammation of the heart, syphilitic heart, and gave instances of each.

St. Paul Hospital & Life is putting out a hunter's and fisherman's policy. It covers the insured while hunting, fishing, trapping, boating, canoeing, swimming and target shooting. It provides low cost medical and hospital protection in case of accident and up to \$1,000 in case of accidental death.

the next general election if 30,000 bona fide signatures are secured on a petition.

### To Review Rhode Island Rates

PROVIDENCE, R. I. — Governor McGrath has signed a bill calling for a review of the compensation rates by the state labor commissioner.

## CHANGES

### Hemenway with Travelers

Donald A. Hemenway, former Vermont commissioner, has been appointed field assistant in the fidelity and surety department of the Travelers at the home office. He was with Maryland Casualty before becoming commissioner.

### Coal Merchants New Officers

Harold S. Niver has been appointed assistant general manager and Frank L. Baxter assistant secretary of Coal Merchants Mutual. No appointments have yet been made to fill the positions of manager and secretary that were left vacant by the death of H. W. Lee.

### Andrews with American General

T. G. Andrews, San Antonio, Tex., claims representative of the Fidelity & Casualty and president of the San Antonio Claim Men's Association, has joined the American General of Houston as manager of the liability claims department.

### N. P. Berry to Cleveland

N. Parker Berry has been transferred from Philadelphia to Cleveland by Home Indemnity as special agent. He was with Indemnity of North America from 1934 to 1940 when he went with Home Indemnity in the suburban Philadelphia field.

### Joins Ohio Casualty Home Office

Willis S. Sheldon, assistant manager of the casualty department, Fred S. James & Co., Chicago, has taken a position in the home office of Ohio Casualty in Hamilton, O. Mr. Sheldon had been with the firm four years and had previously been with Travelers in Chicago.

### Reports on Des Plaines Insurer

Assets of Cook County Farmers Mutual of Des Plaines, Ill., as at Dec. 30, 1940, amounted to \$341,369 and net surplus was \$296,745, according to the report of an examination released by the Illinois department. In 1940, the articles of the association were amended to permit the issuance of general liability, workmen's compensation and burglary and forgery insurance as well as motor vehicle coverages. So far the company has not transacted any compensation or burglary and forgery.

Most of the insured are members of the Cook County Truck Gardeners & Farmers Association. August Geweke is president and Elmer J. Steil is secretary. All policies are issued to expire Dec. 31 of each year and premiums are payable in advance. The company has 18 representatives through whom all business is acquired. They have not been required to secure licenses. These representatives get \$3 per new member and \$2 for each renewal plus an additional compensation of 25 cents for fire and 25 cents for theft if such coverages are written. From Dec. 31, 1939, to Sept. 30, 1940, premiums earned were \$38,563, losses incurred \$16,489. There was a gain from underwriting of \$4,239.

### Am. Auto in Larger N. Y. Quarters

Because of increased business the New York city branch of American Automobile has moved to larger quarters on the sixth floor at 99 John street. R. S. Choate, vice-president, is in charge of the branch.

## NEWS OF CASUALTY ASSOCIATIONS

### Aviation Claims Discussed at Los Angeles Meeting

LOS ANGELES—The Casualty Insurance Adjusters Association of Los Angeles heard F. C. Treadwell, Los Angeles manager U. S. Aviation Underwriters talk on aviation insurance.

He said when the companies in his group began writing aviation they found adjusters were at a loss in handling claims because they knew nothing about planes. In an aviation loss, he said, all the salvage the underwriters can expect to secure would come from the motor. He cited an instance where the adjuster had turned in \$5 as salvage on a motor and the underwriters later found the motor actually operating in a commercial line plane, having been approved by the government aviation bureau. Because of this he said, the U. S. A. I. G. in 1929 began educating adjusters on handling claims on hulls and established a claims director, with headquarters in New York, to whom all losses were reported, and who then assigned adjusters to the loss.

He said legislation is not sufficiently specific to enable underwriters to determine what their ultimate liability may be. It is very difficult to deny liability in a plane accident. He predicted that when the present war ends aviation will continue to grow and that there will be more planes and consequently more insurance and more claims.

### Chicago Engineers Elect. Golf

Frank Jones, Childs & Wood, has been elected president of the Casualty Engineers Association of Chicago. E. H. Jones, New Amsterdam Casualty, is first vice-president; V. V. Hurless, Employers Liability, second vice-president; F. J. Peradotte, Standard Accident, third vice-president. The treasurer is P. A. Martins, Continental Casualty, and secretary is R. M. Kramer, Employers Mutual Liability. L. U. Byerly, Employers Mutual Casualty; N. D. Smith, Employers Liability, and B. F. Kirkby, Maryland Casualty, are the directors.

The association is holding its annual golf outing June 20 at the Maywood

Country Club. Mr. Byerly and C. B. Fritz, Employers Mutual Liability are in charge of the event.

The Cincinnati Casualty & Surety Association has elected as directors J. M. Barkdull, C. W. Clemons and Carl Dieterly. The holdover members are E. R. Buss, E. A. Russell, C. H. Sanders, E. H. Schier, George Tow and U. L. Trice.

## COMPENSATION

### Mich. Loggers to Form Mutual

IRONWOOD, MICH.—Preliminary steps for organization of a mutual to carry compensation risks in the logging industry in the upper Peninsula of Michigan were taken at a meeting here of the Timber Producers Association. The loggers for some time have been complaining about compensation insurance rates.

The proposal was discussed before the group by Frank Cordero, deputy insurance commissioner, and Seth Burwell and R. C. Desautels of the department. At the conclusion of the discussions, the loggers, pulpwood dealers and woodsmen present voted to form their own carrier. Details were left in the hands of Executive Secretary W. C. Smith of Wakefield.

### Hold Up New Washington Law

SEATTLE—The law enacted by the 1941 Washington legislature calling for sharp increases in benefits under the state's monopolistic compensation and medical aid acts, did not go into effect on June 11 as scheduled and will probably be shelved until the November, 1942, general election.

Petitions bearing 36,000 signatures were filed with the secretary of state the day before the law was to have become effective, by F. J. Perine, secretary of Defenders of Washington Payrolls.

The referendum law provides that any act passed must be referred to a vote at



## POINTERS FOR LOCAL AGENTS

### Cites Abundant Casualty Opportunities in Small Town

LOUISVILLE—An abundant opportunity exists for the small town agent to develop casualty business, according to Howard W. Bradshaw of Delphi, Ind., who addressed the annual meeting of the Kentucky Association of Insurance Agents here. Wherever there is a good agent, there is business, he said.

He suggested that the small town agent make a list of 10 home owners that might be interested in the residence glass policy that sells for \$5 for a three-year term. Order a policy for each one on the list and then call on each prospect, telling him what the policy covers and that the agent feels his home is such that he would be interested at only \$5 for three years. He predicted that at least six of the 10 would pay for the policy on the spot. He advised against making a second solicitation of those that do not buy but put them on the list for a call at a later date. The agent will have made a few dollars plus 10 good contacts with the investment of very little time.

#### Importance of Bank

The small town agent has the best opportunity to build good will through the bank in his community. The bank is subject to nearly every known hazard that can be covered by insurance protection. He told of an agent that got the privilege of making an audit for his local bank. It was found the bank lacked proper protection against safe deposit burglary and robbery, non-ownership liability, registered mail, boiler explosion, compensation and O.L.&T. Moreover the fire insurance was written in an improper amount and extended coverage was not used. As a result the bank purchased several hundred dollars additional cover and directed the agent to keep continuous check on its insurance and to look over all policies covering mortgaged property from time to time and advise as to what insurance should be required. That bank will recommend that agent to its customers who are seeking insurance advice.

The compensation line requires more service than any other but it is a good investment of time and the agent should perform this work generously because it is an excellent way to win good will and confidence.

#### Storekeeper's Policy

There are prospects in any town for the storekeeper's burglary and robbery policy, especially clothing stores, drug stores, hardware stores and filling stations. Every commercial establishment should be solicited for plate glass insurance. There are always a few citizens who can be sold residence burglary protection. The approach should be on the \$1,000 limit policy rather than \$500. If the prospect demurs at the cost then the agent can spring the \$500 contract. Druggists liability should be called to the attention of the local druggist and the point should be made that the policy now covers dispensing of food in addition to compounding of drugs. Professional liability insurance can be sold to physicians, dentists and optometrists. Much of this business is carried through so-called associations but the stock company rates compare very favorably with the association rates and are frequently lower.

The prospects who are solicited for residence and employers liability insurance are frequently flattered when it is suggested that they be protected in this way. It is a wonderful line through which to make contacts, he said. The fact that medical reimbursement may be attached to the form makes it a particularly valuable contract. The agent who sees the people will sell O.L.&T. to owners of mercantile property.

Insofar as automobile insurance is concerned, the agent should establish the reputation of one who sells the policy with all the extra coverage. That is the best way to meet the competition of the cut rate insurers who emphasize price. "Let's increase our limits and show our prospect the need of the broader coverage. Don't even tell him about the old five and 10 limits unless you have to. If you have to do this, let him know that you consider it inadequate coverage and that you don't recommend it to your customers." The medical reimbursement should be included in the quotations. That is a great good will builder, he said. Medical payments may be made to persons who are not now assured of the agent.

Mr. Bradshaw said that he has devised a successful scheme of preparing a series of cards on which are printed short messages or tips to the auto owner. On the first of each month the current card is sent to every one on the mailing list.

Here is the wording on the card that Mr. Bradshaw is using this month: "For economy—check your cooling system. An overheated motor just naturally uses more gasoline. Many things besides lack of water can make a motor overheat.

At least once a year have your cooling system flushed and get the hose and water pump checked. Now, before hot weather, is a good time to do this."

The agent can win good will by many little friendly gestures in offering to lend a hand on insurance matters in one way and another even though there is no immediate commission in sight.

### Fine Day, Prizes for 130 at Chicago Board Meeting

More than 130 took advantage of the fine day to attend the annual all-day golf outing of Chicago Board class 1 members at Bob-o-Link Golf Club. R. A. Parker, acting manager, awarded prizes at the banquet to the following:

Low gross, R. T. Hofmeister; high gross, W. S. Ellis, Royal; putting, B. N. Anderson, B. N. Anderson & Co. Handicap class "A," first, W. H. Stevens, Fred S. James & Co.; second, A. T. Moyer, North America; third, J. K. Walker, Moore, Case, Lyman & Hubbard. Class "B," first, H. F. Liebrock, R. A. Napier & Co.; second, J. P. Hoffman, American of Newark; third, W. H. Potter, Phoenix of Hartford. Class "C," first, Don W. Aleshire, Parker, Aleshire & Co.; second, G. C. Peterson, Royal; third, G. R. Bowman, R. A. Napier & Co. Blind bogey, first, Chief McAuliffe, Fire Patrol; second, A. E. Hendricks, A. E. Hendricks & Co.; third, E. M. Schoen, Atlas.

H. J. Lorber, Rollins-Burdick-Hunter, chairman of the fellowship committee, presided at the banquet and was responsible for the strolling musicians who entertained all day. Mr. Lorber, Mr. Parker and D. P. Skaer, superintendent

of rating, were in charge of the arrangements.

### Salvage Workers Busy in Jersey Fire Swept Area

NEW YORK—Salvaging operations in the north Jersey fire swept area are being expedited. Insurance representatives are working with federal, state and local health authorities. As to damaged goods 12,500 bags of cocoa beans, 25,000 bags green coffee, 10,000 cans roasted coffee, 2,000 cartons canned evaporated milk and numerous cartons canned powdered milk, all contained in mid-Hudson warehouse, will be partly reclaimed. More than 4,000 cases Scotch whisky, it is reported, suffered no damage. It will be some time yet before loss adjustments are effected.

Because of the great congestion of values along the Jersey waterfront due to war defense preparations, engineers of the National Board will undertake an early survey of the territory.

### Federal Study to be Made of Missouri Hearings

(CONTINUED FROM PAGE 1)

A number of volumes of minutes of Subscribers' Actuarial Committee meetings, which Mr. Hobbs kept for his own records, were introduced in evidence.

The informality and unofficial character of the Subscribers Actuarial Committee was stressed by J. C. Harding, vice-president of Springfield Fire & Marine. He testified that there exists no connection between the committee and the Western Underwriters Association. Mr. Hobbs, who is secretary of the committee, consults with members of the committee for advice and counsel before recommending changes in rules, rates, etc., to state inspection bureaus, Mr. Harding said.

H. A. Clark, vice-president of Firemen's, was scheduled to follow Mr. Harding on the stand. He has yet to finish his testimony, begun in May when McKittrick started the Chicago chapter of the hearings.

McKittrick is still showing keen interest in establishing the power and functions of the Subscribers Actuarial Committee with particular reference to Missouri business. The attorney-general is at times sharp with witnesses, and sessions are marked by exchanges between him and counsel. However, during recesses and before and after the hearings, the utmost good nature and friendliness prevails between all parties.

While the attorney-general has indicated the hearings in Chicago will continue as long as necessary, possibly for two months, tentative arrangement is for adjournment July 19 until September.

### Present Emergency Pumper

BOSTON—A defense emergency pumper, suggested by practical home defense methods in use in Great Britain, was presented the fire department here by American Mutual Liability and American Mutual Fire, at public exercises held on historic Bunker Hill. C. E. Pettibone, vice-president American Mutual Liability, made the presentation.

Mayor LaGuardia of New York, director of civilian defense for the United States, was present. The equipment is a centrifugal pump mounted on a trailer, motor-powered, which throws two 2½ inch streams 75 feet high. It can be towed behind an automobile over very rough terrain.

### Jeffrey with Bituminous

Thomas G. Jeffrey, claims attorney, has joined Bituminous Casualty as claims manager at Kansas City. Mr. Jeffrey will work with Talbot Wight, formerly claims manager, who recently was named office manager in charge of underwriting and production. Mr. Jeffrey has served during the past five years as claims manager for Commercial Standard in Chicago.

### Present U. & O. Skit at Cincinnati



CINCINNATI—Featured at the closing 1940-41 meeting of the Cincinnati Fire Underwriters Association was a skit on business interruption insurance titled "What to Know About U. & O.," presented by the Stock Fire Insurance Speakers Club of the Ohio Fire Underwriters Association. The skit depicted the predicament of a typical manufacturer, who carried fire and extended coverage, after a severe fire. Realistic touches were given through the cooperation of the Underwriters Salvage Corps, which furnished authentic "props."

The scene after the fire was presumably an imaginary one, picturing what would happen to the manufacturer when he attempted to replace his plant and equipment, without U. & O. coverage. Mr. Agent then appeared, saving the day with the announcement that the U. & O. policy bought the previous week would not only insure the maintenance of payroll, taxes, and interest charges, but also net profit which would have been earned, and the payment of a premium to obtain needed equipment.

In a short talk after the skit, D. P. Hague-Rogers, Eagle Star, said that business interruption coverage protected against time loss as against the property loss covered by fire and extended

coverage. The contribution form applies to all charges except light, heat, power, and ordinary payroll. If ordinary payroll coverage is desired for more than 180 days, it comes under item 1 of the insuring clause rather than item 2. Mr. Hague-Rogers played the part of the president of the manufacturing company; J. A. Neilan, Norwich Union, the chairman of the board; T. J. Ocasek, Underwriters Service, the special agent, and G. F. Graf, Hanover, the local agent. Assisting were Capt. E. J. Ader, Harry Cohen, and Edward Stites of the salvage corps.

The speakers club, as part of a public relations program, has presented quite a number of skits and speakers at local board and civic club meetings throughout the state. It has developed considerable good-will both inside and outside of the business and a number of good public speakers who are able to get up and express their ideas effectively. In the opinion of many in the audience, the U. & O. skit was the most finished product that the club has turned out yet. It showed careful rehearsal, was well acted, and carried considerable dramatic suspense. It put over its message in effective fashion.

In the picture are shown Mr. Neilan, Mr. Hague-Rogers, Mr. Ocasek and Mr. Graf.

## Defense Stepup Problems Occupy Electrical Council

The effect of the stepped up defense program upon the electrical equipment in defense plants was the chief consideration of the electrical council of Underwriters Laboratories, in its annual meeting in Chicago. Continuous 100 percent loadings of electrical circuits and 24-hour operations in factories have put unprecedented strains on equipment and introduced new problems of heating and rating.

Among other problems confronting the 40 members in attendance were standards and safety specifications for electrical equipment and problems arising from fluorescent lighting, electric fences, electrical medical apparatus, electric wire, and the substitution of new materials caused by defense commandeering.

The council has charge of the inspection of buildings and the enforcement of safety regulations to prevent fire, electric shock and accident. The members voluntarily contribute their services and act in an advisory capacity to the laboratories, reviewing and commenting on reports of tests on new and unusual electric equipment.

## "Green" Crews Blamed for Defense Plant Fires

NEW YORK—Nearly every one of the recent defense plant fires and explosions have been laid to sabotage at first, but inspections and adjustments show that the majority are caused through carelessness of "green" factory crews. Plant managers under pressure to expand and keep up with contract demands assemble crews hastily and put them to work without the proper training. Many of these men have been unemployed for a number of years and are not accustomed to working together.

Inspectors are to blame somewhat, one company executive feels, because they fail to get permission from plant superintendents to point out hazards to the sectional managers and workers. Instead the average inspector will look at a risk, either approve or disapprove, report the hazards, but fail to make pertinent suggestions to the workers when he sees a weakness. An inspector's report would be much more effective if while making it he would call the attention of the worker or group of workers to any hazards he sees.

## Sanford Foresees Aviation Remolding Life of World

Just as aviation at war changes the nations of the world so aviation at peace will remold the industrial and commercial life of the world, C. A. Sanford, Aero Insurance Underwriters, New York City, said while talking on "The Importance of Aviation Industry," at the Virginia short course school. From 1937 to 1940 the airline business for the local agent more than doubled.

Mr. Sanford said personal accident prospects can be found everywhere and aircraft prospects are found at the airport. If the local agent will go through his list of assured he will uncover prospects for both personal accident and aircraft.

Mr. Sanford reviewed aviation insurance experience, gave a detailed discussion on policy forms and rates and told local agents where the markets for these forms were. He recalled that William & Mary College offered the first collegiate course in flying 10 years ago.

## Schools Seek to Form Company

TORONTO—Efforts of urban school districts in Ontario to secure legislation sanctioning the formation of a new fire insurance company to write school business only will be opposed both by the Canadian Underwriters Association and the Ontario Fire & Casualty Insurance

# A · DIRECTORY · OF RESPONSIBLE INDEPENDENT ADJUSTERS

## ARIZONA

### LYLE ADJUSTMENT CO.

LUHR'S BLDG., PHOENIX

All Lines

**BRANCHES**  
TUCSON FLAGSTAFF YUMA  
Woolworth Bldg. Masonic Bldg. 324 Orange Ave.  
Covering—Arizona, Western New Mexico, Southern Utah and Imperial Valley, California

## DIST. OF COLUMBIA

### NICHOLS COMPANY

INSURANCE ADJUSTMENTS

All Lines—Representing Companies only  
Established 1921—Twenty-four hour Service  
Washington, D. C., Woodward Bldg. Phone Met. 0316  
Richmond, Va., Mutual Bldg. Phone Dial 3-8359  
Baltimore, Md., Mercantile Tr. Bldg. Phone Plaza 6220  
Hagerstown, Md., Warehouse Bldg. Phone Hag. 798  
Winchester, Va., Masonic Bldg. Phone Win. 179

## ILLINOIS

### JAMES J. HERMANN COMPANY

ADJUSTERS

INSURANCE EXCHANGE BUILDING CHICAGO

### WILSON S. LEVENS & CO.

ADJUSTERS — ALL LINES  
Insurance Exchange Bldg. Chicago

### PHONE HARRISON 3230 THOMAS T. NORTH ADJUSTMENT COMPANY

Adjusters  
All Lines  
Insurance Exchange Building,  
175 W. Jackson Blvd.  
Chicago

### A. B. Litow—R. I. Hayman—Adelardo M. LeBlanc JOSEPH RICE & CO.

Insurance Exchange Building  
Chicago

### Established 1899 WHITNEY & MILLER ADJUSTMENTS

175 W. Jackson Blvd. CHICAGO

### Day Phone 1472-R Night Phone 1472-W FRANK R. SCHMIDT Insurance Adjuster

Representing Insurance Companies  
All Lines  
LaSalle State Bank Bldg., LaSalle, Illinois  
Covering Central Northern Illinois

### PEORIA Angus B. Ferdinand 1046 Jefferson Building Established 1923 Licensed and Bonded SECRET SERVICE DEPT.

## ILLINOIS (Cont.)

### LIVINGSTONE ADJUSTMENT SERVICE

Springfield, Illinois Commercial Bldg.  
619 E. Capitol Ave. Belleville, Ill.

Insurance claim investigations and adjustments—all lines—Covering all of Central and Southern Illinois. No Mileage or Traveling Expense charged within a 50 mile radius of either of our offices.

## INDIANA

### CENTRAL ADJUSTING CO.

Consolidated Bldg., Indianapolis, Ind.

BRANCH OFFICES:

EVANSVILLE HAMMOND  
414 Old Nat'l Bank 407 Lloyd Bldg.  
FORT WAYNE SOUTH BEND  
835 Lincoln Tower 711 Odd Fellows Bldg.  
MUNCIE TERRE HAUTE  
304 Western Reserve 6 Ball Building  
All Lines. Specializing in Automobile, Inland Marine and Fire.

### INDIANA ADJUSTMENT COMPANY

INDIANAPOLIS

AUTOMOBILE & CASUALTY  
Resident adjusters at Evansville, Fort Wayne, Indianapolis, Richmond, South Bend, Terre Haute and Louisville, Ky.

### Eugene McIntyre Adjustment Co., Inc.

All lines of Automobile, Casualty and Inland Marine  
Eight East Market Street  
INDIANAPOLIS  
Branch Offices:  
Muncie, Ind., Terre Haute, Ind.

### J. L. VALENTINE

309 Pennway Bldg.  
Lincoln 3116

Adjuster—All Lines  
Indianapolis, Ind.

## MISSOURI

### THOS. R. TADLOCK

Insurance Adjuster

For companies only

All lines—20 years experience  
916 Walnut St. Bldg., Kansas City, Mo.

## NEBRASKA

### JUDD W. CROCKER CLAIM DEPARTMENT, INC.

INSURANCE ADJUSTERS  
City National Bank Building  
Phone Jackson 6304  
Omaha, Nebraska  
BRANCHES AT  
Lincoln, Neb. Des Moines, Iowa  
Grand Island, Neb. Sioux City, Iowa  
North Platte, Neb. Iowa City, Iowa  
Scottsbluff, Neb. Cheyenne, Wyoming

### R. T. GUSTAFSON COMPANY

Insurance Adjusters—Serving Nebraska and Iowa.  
CASUALTY—ALL CLASSES: Auto, Liability, Compensation, Burg., H.A., F.G., Bonds, etc.  
AUTO FIRE, Theft, Property Damage, Collision, etc.  
OMAHA, NEBRASKA  
240 Keeline Bldg. Office: Webster 2631  
17 and Huron Sts. Res. Kenwood 7411  
24 years experience investigations and adjusting.

## NEW YORK

### WAGNER & GLIDDEN, INC. TOPLIS & HARDING, INC.

INSURANCE ADJUSTMENTS  
ALL LINES

Chicago New York  
Los Angeles and  
Offices Throughout the World

## OHIO

### JOHN H. McNEAL & HARLEY J. McNEAL

1367 E. 9th St. 502 Auditorium Bldg.  
Telephone Main 1925  
CLEVELAND, OHIO

INVESTIGATIONS AND ADJUSTMENTS IN ALL LINES OF INSURANCE  
Representing Many Companies—20 Yrs. Experience  
Service Throughout Northern Ohio

### WEYER AND CORLETT ADJUSTERS

For the Insurance Companies  
Investigations, Appraisals, Adjustments  
824 Union Commerce Building  
Cleveland, Ohio  
24 Hour Service—Call Prospect 5111

## OKLAHOMA

### C. R. WACKENHUTH

ADJUSTER

1205 East 32nd Street  
Phone 2-5400 Tulsa, Okla.

## PENNSYLVANIA

### THE CURLEY ADJUSTMENT BUREAU

Complete Claim Facilities for Pennsylvania, Northern Maryland and Southern Jersey  
ALL EMPLOYEES ADEQUATELY BONDED  
Main Office: 509 WALNUT ST., PHILADELPHIA  
Atlantic City—3700 Atlantic Avenue; Chambersburg—167 Lincoln Way East; Erie—Masonic Bldg.; Harrisburg—22 S. 3rd St.; Pittsburgh—1104 Investment Bldg.; Reading—Ganster Bldg.; Williamsport—120 West 4th Street.

## VIRGINIA

### NICHOLS COMPANY

INSURANCE ADJUSTMENTS

All Lines—Representing Companies only  
Established 1921—Twenty-four hour Service  
Richmond, Va., Mutual Bldg. Phone Dial 3-8359  
Winchester, Va., Masonic Bldg. Phone Win. 179  
Washington, D. C., Woodward Bldg. Phone Met. 0316  
Baltimore, Md., Mercantile Tr. Bldg. Phone Plaza 6220  
Hagerstown, Md., Warehouse Bldg. Phone Hag. 798

## WEST VIRGINIA

### JOHN C. WYCKOFF CO.

Insurance Adjustments

Main Office Fairmont, W. Va.  
BLUEFIELD, W. VA. CLARKSBURG, W. VA.  
Perry Building 429-430 Empire Natl. Bank Bldg.  
HUNTINGTON, W. VA. WHEELING, W. VA.  
First Huntington Natl. Wheeling Bank and Trust Building  
CHARLESTON, W. VA.  
Capital City Building  
PARKERSBURG, W. VA.  
Union Trust Building

## WISCONSIN

### Nurnberg Adjustment Co. GENERAL ADJUSTERS

Fire, Windstorm, Hail, Automobile, Casualty, Inland Marine and Aircraft  
(Licensed Pilot in our Employ)  
Underwriters Exchange Bldg.  
MILWAUKEE

828 N. Broadway Phone: Daily 6933  
Branch Offices: Antigo and Madison

Agents Association. The Urban School Districts Association has gone on record favoring the establishment of such a company mainly with the aim of securing lower rates.

## Fire Policy Revision Not Dead

NEW YORK—The state legislature at its latest session, having extended

the life of the joint senate and assembly committee on insurance law revision another 12 months and appropriated \$20,000 for its expenses one of the most important items slated for consideration before the legislature again meets is the suggested change of the present standard fire contract. Despite the failure of the law-makers to adopt the proposed new policy form, advocates of revision insist

that a modernized contract be enacted in 1942, and are already working hard toward that end.

## Washington Meet June 23

SEATTLE—The Casualty Association of Washington is planning its annual meeting and election of officers for June 23.



# INSURANCE NEWS BY SECTIONS

## MIDDLE WESTERN STATES

### Illinois Farm Agents Elect Swarm at Annual Parley

PEORIA, ILL.—C. A. Swarm, Decatur, was elected president of the Illinois Farm Insurance Agents Association at its annual meeting here. W. R. Bottorf, Macomb, is vice-president, and Robert Stoutenborough, Maroa, secretary-treasurer.

Owen G. Tradewell, who has served as secretary for 10 years, declined to accept the office for another term due to ill health. Mr. Tradewell was given a vote of thanks for his long service.

Outstanding talks were given by G. M. Craig, assistant manager farm department Home of New York, Chicago; D. J. Price, National Research Bureau, Washington, D. C., and C. E. Kepner, retiring president, Rochelle.

#### President Kepner's Report

In his report as president Mr. Kepner stressed the fact that the association has brought about closer understanding between agents and companies and farm policyholders. It has helped develop better agents and better practices in writing farm business, and it has played an important part in securing broadened policy conditions to meet changing needs of the farmer, he said.

Changes in the farm policy which are shortly to be published in Illinois will permit coverage of uncut grain in the regular farm policy, Mr. Kepner pointed out. Also, the vacancy permit has been clarified and can be extended with full insurance for a small additional premium, grain separators will be written at the regular farm rate in the regular policy, feeder cattle will be written at the regular rate with some additional protection, and turkeys will be insured at a flat charge per head with a \$10 minimum loss provision and 10 percent deduction from any claim. These changes will considerably benefit Illinois farm writing agents.

Mr. Price discussed farm fire losses from a national angle, touched on the British methods of handling incendiary bombs, and urged agents to get behind a movement for farm fire prevention.

### Minn. Federation Renames Officers

ST. PAUL—The value of a state-wide organization embracing all branches of the insurance business was emphasized by speakers at the annual meeting of the Insurance Federation of Minnesota. All officers were reelected, except that C. F. Liscomb, Duluth, past president National Association of Insurance Agents, was made a vice-president. They are: President, George V. Fevig, Moorhead; vice-presidents, R. J. Grant, president Hardware Mutual, Minneapolis; L. L. Law, state agent London Assurance; J. M. Ramey, past president State Association of Farm Mutuals, and E. A. Roberts, vice-president Minnesota Mutual Life.

New directors are R. V. Mothersill, president Anchor Casualty, St. Paul; Gilbert Buffington, Duluth; H. G. Knopp, Rochester; H. P. Sondergaard, Tyler, and O. F. Weckerling, Chisholm. R. B. Nienhauser, St. Paul, was reelected chairman of the finance committee, and George W. Wells, Jr., was reelected chairman of the legislative committee. Clyde B. Helm was reelected secretary-treasurer.

In his annual address President Fevig

lauded the purposes and accomplishments of the federation and said that "by guarding the insurance interests against inimical legislation we are guarding the interests of the insurance buying public which takes in an extremely large percentage of all the people."

Mr. Helm reported that on May 31, 1941, 5,783 insurance people were affiliated with the federation through financial support in varying amounts received from 506 individuals, agencies, organizations and companies in Minnesota. Substantial support is also received from companies in other states, he said. Mr. Helm added that his experience as secretary during 11 years convinced him that no revolutionary changes should be made in the future operation of the federation.

### Schedule for Minnesota Agents' Meeting Announced

MINNEAPOLIS—Tentative arrangements for the annual meeting of the Minnesota Association of Insurance Agents at Rochester Sept. 11-13 provide for a program of outstanding caliber. The details were announced following a joint meeting of the executive committee and program committee here.

Featured speakers include President Payne H. Midyette of the National association; E. J. Bond, Jr., president Maryland Casualty, and M. W. Mays, B.D.O. director, who will put on the program for an entire half-day session, similar to the one he provided at the National association meeting at Oakland.

The usual convention schedule will be reversed and the Rochester meeting will open with a golf tournament instead of closing with one. This will be Sept. 11. It will be followed by a stag buffet supper.

Friday morning will be given over to a business session. There will be three speakers Friday afternoon and the banquet that evening. Saturday's activities will open with three breakfast meetings, for rural agents, for district and regional leaders and a good fellowship breakfast. Mr. Mays' program will take the rest of the morning. Saturday afternoon there will be another business session with election of officers.

Harry Levant, Eveleth, is chairman of the program committee.

### Greater Proficiency Will Safeguard Agency System

BATTLE CREEK, MICH.—Organized agents, through embracing wholeheartedly the opportunities now being afforded them to become more proficient in their own business, should be able largely to safeguard the American agency system by their own efforts, Waldo O. Hildebrand, Lansing, secretary-manager Michigan Association of Insurance Agents, told a joint meeting of the Battle Creek and Kalamazoo associations.

Mr. Hildebrand, speaking at a dinner following a golf outing, outlined state association activities, stressing the educational program. Attainment of a high standard of competence through specialized training will tend to bring about higher qualification requirements for licensing, thus reducing the number of incompetents in the business and automatically providing the public with better service.

Disagreements within the ranks were credited with the chief failures during the session, particularly failure to pass enabling legislation to legalize writing

of the personal property floater, by Mr. Hildebrand.

David A. Forbes, Grand Rapids, state president, outlined plans for the annual convention in Grand Rapids in the fall.

### Ellis Takes Over Anchor Agency in Des Moines

DES MOINES—The Anchor General Agency of Des Moines, which has been under the active management of H. A. Peterson, secretary, for a number of years, has been merged with L. E. Ellis & Co., Des Moines.

The consolidation is one of the largest agency mergers here in recent years and will add some 300 Anchor agencies over the state to the Ellis agency, making it one of the largest in the middle west with an agency force of more than 1,500.

Mr. Peterson will join the Ellis agency in an executive capacity, servicing former Anchor agents and developing automobile, casualty and miscellaneous lines.

The Ellis agency also has added the facilities of the Crum & Forster group. Under the consolidation with the Anchor the outstanding business of the Potomac Fire, which carried the bulk of the fire business, will be reinsured by the Richmond.

L. E. Ellis, head of the agency, announces quarters here will be enlarged.

### State Police Given Wide Authority in Michigan

LANSING, MICH.—Governor Van Wagoner has signed the new Michigan arson act which permits state police to enter any incorporated city or village to investigate suspicious fires without awaiting any specific invitation from local authorities. The investigating troopers could swear witnesses and take testimony regarding any such fires.

The state police commissioner, as fire marshal ex officio, also is endowed with the power to force removal, remodeling or repair of structures found to constitute exceptional fire hazards. Any property-owner also can be forced to eliminate hazardous conditions likely to result in fires, including rubbish heaps close to buildings.

Local fire chiefs are also given more authority in dealing with fire hazards, particularly to facilitate property inspections.

Michigan's anti-fireworks law was strengthened to make mere possession of such hazardous materials, without a permit, a misdemeanor.

### McVoy Is Grand Rapids President

GRAND RAPIDS, MICH.—Under its revised constitution the Grand Rapids Association of Insurance Agents has elected a new executive committee which in turn elected officers. Leon J. McVoy is president; Harold W. Usher, vice-president; George C. Bickler, chairman executive committee; and Herman P. Hugenholtz, secretary-treasurer. They

### Fights Elevator Fire Instead of Telling How

MINNEAPOLIS—Chief Earl Traeger of the Minneapolis department was on the program at the annual fire school in Minneapolis for a talk on "Combating Elevator Fires and Fire Hazards," but did not give the talk, as early that morning one of the worst elevator fires in Minneapolis history broke out and the chief was on the job all night and most of the day. His paper was presented by Assistant Chief Malmquist.

### Five-Hundred for Forshay Campaign in Iowa

DES MOINES—The "Five hundred for Forshay" campaign was launched here at a luncheon of the Iowa Blue Goose with a talk by B. C. Hopkins, Des Moines, chairman membership committee for the Iowa Association of Insurance agents.

The campaign's objective is to secure 120 new members and bring the association's membership up to 500 by Sept. 1 in honor of R. W. Forshay of Anita, Ia., vice-president National association, so he can go to the national meeting in Kansas City with an outstanding membership record.

Special membership application blanks have been prepared with a picture of Mr. Forshay and the slogan "Forward in '41 with 500 for Forshay."

Special Forshay membership certificates will be sent to all old and new members when dues are paid for the next fiscal year.

will take office at the annual meeting Sept. 8.

### Valparaiso Outing Attracts Many

About 150 attended the annual field day of the Valparaiso, Ind., local board. O. A. Allanson, head of the local board, was in charge of arrangements. All insurance interests get together at these affairs and they are quite lively.

Eleven field men who have not missed one of the outings since they started 10 years ago last year were given the name of the "Whiskers Club." They were all back again this year. Members are Don Harris, American Surety, and Tom Sprickman, North America, Chicago; and the following Indiana field men: L. R. Swanson, L. & L. & G.; G. R. Juenger, Security; G. N. Schumacher, Hartford; Ray DuBois, North British; H. Montgomerie, Western Adjustment, South Bend; G. A. Heinz, Springfield F. & M.; J. R. Hull, Union of Indiana; H. L. Darling, America Fore, and R. W. Sherburne, Great American.

Several company officials attended the meeting from Chicago, including John Rygel, secretary of Hanover Fire; C. J. Lingenfelder, assistant secretary America Fore; C. L. Zook, agency superintendent National Fire; W. A. Harvey, agency superintendent Great American; J. L. Maehle, manager American Surety, and F. E. Peine, Maryland Casualty. H. E. McClain, Indiana association's executive secretary and former Indiana commissioner; S. M. Stoner, president of the Indiana agents, and John Messick of Foster & Messick, general agents for the U.S.F. & G., Indianapolis, attended.

### Appeal Auto Club Decision

Notice of appeal from the decision of the common pleas court of Franklin county in the case of John A. Lloyd vs. Automobile Insurance Agency has been filed by the Ohio attorney general. Attorneys Bickford of Cleveland, Kohl of Cincinnati and Gingham of Columbus have been designated as special counsel to assist in handling the matter in the court of appeals.

On April 4, Judge Leach of the common pleas court gave a decision which reversed the position of the insurance superintendent in revoking the license of Automobile Insurance Agency, Inc., operated by interests identified with the Cincinnati Automobile Club. Judge Leach interpreted the present wording of the agents licensing section to mean that the discretion of the superintendent was practically limited to the question of an applicant's honesty and trust-

worthiness in determining his suitability to be licensed as an insurance agent.

### Opens Branch at Muncie

Central Adjusting Company of Indianapolis is opening a new branch at Muncie Ind., in charge of H. E. Barkley, who has been with the company 14 years. With the addition of this office, the organization now has 16 employees in the branches and 20 in the head office. Every claim is supervised by one of four supervisors who specializes in a particular field. Central Adjusting has been operating offices at Evansville, Fort Wayne, Hammond, South Bend and Terre Haute.

### Class for Arson Investigators

IOWA CITY, IA.—A special class on investigation of arson cases will be presented at the peace officers short course at the University of Iowa July 7-12. Speakers will include J. W. Strom, state fire marshal; Horace McMullen of the National Board, and Richard Steinmetz, chief investigator of the Mutual Fire Prevention Bureau.

### St. Louis Spreads Bond Business

ST. LOUIS—With the administration of Mayor Becker, City Comptroller Nolte has discontinued the policy of former administrations of giving most of the business of bonding city employees and officials to one or two agents.

Under the new administration 33 bonds written on new city officials and appointees, ranging from \$5,000 to \$20,000 penalty, have been distributed among six different bonding companies.

The new program has met with approval of the local insurance fraternity.

### Draft New Qualification Act

COLUMBUS—Superintendent Lloyd and his associates in the Ohio department have begun preliminary work on drafting a proposed new agency qualification law, to be considered by the department and the various insurance interest prior to the 1943 legislature.

The work of preparing such a bill will take considerable time. After the preliminary draft is in shape for discussion, every properly interested insurance group will be called in for conferences, their counsel being taken into consideration in determining what shall be in the final draft and when and whether it shall be introduced.

### New Nebraska Fire Marshal

R. L. Crosson of the Nebraska agricultural department has been named by Governor Griswold to succeed H. M. Davis as Nebraska state fire marshal. Mr. Crosson was a former sheriff and city clerk at Hastings. Mr. Davis has been with the department for 9½ years, first as deputy and six years as chief. He will remain with the department, but off the payroll, to do some work on a fire prevention program in connection with national defense.

### King to Direct Course

LANSING, MICH.—Tom King, vice-president and general manager of the Hacker-King-Sherry Agency here and assistant football coach at Michigan State College, has been named supervisor of the police administration course at the college.

### Industrial Fire Chiefs Organize

MILWAUKEE—An organization for industrial fire chiefs to which chiefs of municipal fire departments in the county would also belong, is being formed by representatives of more than 100 industrial fire fighting units to combat sabotage in defense industries here. The new group will probably be named the Milwaukee County Municipal & Industrial Fire Chiefs Association, and is devoted to training industrial fire fighting forces to meet the new hazards as a result of the national defense program. Edward Wischer, chief bureau of instruction and training of the Milwaukee city depart-

ment, who recently took a course in New York City, will conduct training classes for the plant firemen.

### Kenosha Agents Meet

KENOSHA, WIS.—About 40 attended the semi-annual meeting of the Kenosha Association of Insurance Agents, closing the current season until September. A publicity committee, headed by F. E. Stemm, was authorized to prepare an advertising campaign. The finance committee was instructed to take action on the payment of a dividend to members. The national defense program as it affects insurance was discussed.

### Columbus Outing June 24

COLUMBUS, O.—The Insurance Society of Columbus will hold its annual outing at the Granville Inn, Granville, O., June 24. C. D. Palmer is chairman of the golf committee, and Mrs. F. E. Kirkpatrick is in charge of the entertainment for the women. New trustees will be elected. Russell M. Knepper, for many years secretary-counsel, who died several months ago, has been succeeded by Andrew J. White, Jr.

### To Discuss Comprehensive Liability

CLEVELAND—Robert F. Miller, Ohio branch manager of Trinity Universal, will address the Cuyahoga County Board of Underwriters, June 19, on "Comprehensive Liability." This will be the last regular meeting before September. E. A. Strauss, chairman of a special committee, will report on ways and means to combat finance company insuring of customers.

### Iowa Agencies Change Hands

W. M. Cree, Centerville, Ia., agent for over 50 years, has sold his agency to Albert W. Randall. Mr. Cree is going to Los Angeles for an extended visit with relatives. Mr. Randall is a native of Centerville and has been in the advertising business in Des Moines.

Earl Holtz and W. W. Vollmer have purchased the E. F. Burton Agency at Ames.

Charles Wellick has purchased the Sweigard Agency at Garner.

Nebiker & Cockrell, Burlington, which has operated for a quarter of a century

has been dissolved. A. J. Cockrell is now handling national defense real estate transactions. F. G. Nebiker plans to continue independently.

### Youngstown Outing July 17

YOUNGSTOWN, O.—The annual golf outing of the Youngstown Association of Insurance Agents will be held July 17 at the Southern Hills Country Club. Golf will be the order of the day, prizes being awarded at a dinner.

### NEWS BRIEFS

Jennings Crawford of the Iowa Insurance Service Bureau, Des Moines, was married to Pauline E. Cook, also of Des Moines.

Commissioner Johnson of Minnesota and Sanford Herberg of the Fire Underwriters Inspection Bureau, Minneapolis, took part in a round table discussion on building codes, zoning and shack control at the annual meeting of the League of Minnesota Municipalities at Winona.

Col. John G. Emery, former Michigan commissioner, was chief speaker at the annual summer frolic of the Grand Rapids Adjusters Association. M. D. Verdier was general chairman.

Dwight Brantley, F. B. I., discussed methods of protecting property and equipment from sabotage at a meeting of the insured members' conference of the Associated Industries of Missouri, Kansas City.

Arthur A. Hirman, president Minnesota Association of Insurance Agents, was the guest speaker at a meeting of the Southern Minnesota Regional Association at Mankato.

The Insurance Women of Lincoln have elected as delegates to the national convention Augusta Bagel, Elsie Hoatson and Helen Ledwich, with instructions to bring the next national meeting to Lincoln.

Alexander McDonough, Travelers, spoke at the monthly meeting of the Lincoln (Neb.) Association of Insurance Agents on "Comprehensive Liability Coverage."

Alfo Vielmetti has purchased the George Grogan agency, Norway, Mich. Mr. Grogan plans to retire.

## IN THE SOUTHERN STATES

### Complete Card for Tennessee Rally

NASHVILLE—A number of live topics are on the program of the annual meeting of the Tennessee Association of Insurance Agents at the Noel hotel here June 26-27, which has been completed.

Mayor Cummins will welcome agents. The Thursday morning card includes the report by President W. M. Harris, Johnson City, "Business Needs Insurance," E. B. Moran, manager central division National Association of Credit Men, Chicago, and "Insurance Companies Paroled by TNEC; Company Executives and Insurance Commissioners Appointed Guardians," Commissioner McCormack.

R. M. Simmonds, Royal-Liverpool, president, will bring greetings from the Tennessee Fire Underwriters Association Thursday afternoon. Chris Zoercher, Tell City, Ind., executive committee member of the National Association, will discuss accomplishments of that group; Ray Murphy, assistant general manager Association of Casualty & Surety Executives, "The Association and the Agent"; J. A. Donoho, Hartsville, Tenn., "Improved Methods in Selling, Underwriting and Servicing Farm Insurance"; Mrs. A. L. Tate, Mark Bradford agency, Nashville, George Oldham, local agent, Johnson City, and W. E. Bethshares, North America, Nash-

ville, will give their impressions of the state short course school.

The annual get-together dinner will be held Thursday evening, without speeches.

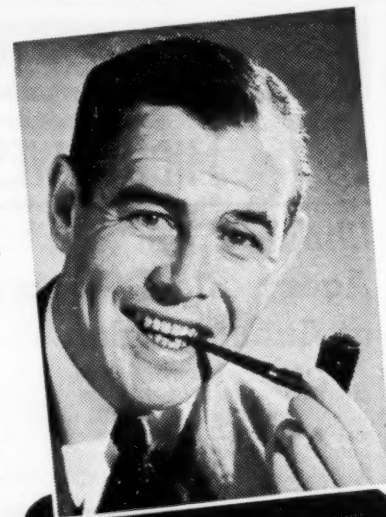
Friday morning "There's a Gold Mine in the Sky," will be the subject of E. L. Stephenson, Associated Aviation Underwriters, Chicago; "The Cooperative Movement vs. Private Enterprise," Oscar H. West, managing director Retail Merchants Association, Richmond, Va., and "Accomplishments of the Nashville Association of Insurance Women," Edna May Gay, president.

The executive committee will consider revising dues and making the retiring president chairman of the executive committee.

### Alabama Agents' School July 14-16 at Tuscaloosa

BIRMINGHAM—The second short course school of the Alabama Association of Insurance Agents will be held at the University of Alabama, Tuscaloosa, July 14-16. Indications are the record registration of 243 last year will be equaled or exceeded. L. J. Thomas of Dothan will be dean and will be assisted by W. R. Mizelle and Ed H. Moore, president and vice-president respectively of the association. Classes will be held mornings, afternoons and evenings. Dr. R. C. Foster of the university will welcome the agents.

Members of the faculty and their sub-



For Assistance  
that Helps Make  
**\$ALE\$**  
RELY ON THE  
**RELIABLE**  
FIRE INSURANCE CO.

You Get All Ethical Help  
from RELIABLE'S State  
Agents

For extra sales that mean  
increased earnings,  
count on help from The  
Reliable Fire Insurance  
Company's State Agent.

Alert, aggressive selling  
aid helps you sell fire  
and extended coverage,  
windstorm and hail—  
and other allied lines of  
insurance.

For full details, write Wm. F. Kramer,  
President; E. J. Weiss, Secretary, Reliable  
Fire Insurance Company, Dayton, Ohio.

STATE AND SPECIAL AGENTS  
R. E. Metzger, 162 E. Dunedin Rd., Columbus, Ohio.  
Finnell & Finnell, 2527 David Stett Bldg., Detroit, Mich.  
C. R. Dobbins, 3359 Carrollton Ave., No. 14, Indianapolis, Ind.

For 76 Years  
a Name to Rely On!

**RELIABLE**  
FIRE INSURANCE CO.  
Dayton, Ohio

An Independent Ohio Company with  
current surplus to policyholders of  
\$1,080,286.77



jects are: Hunter Brown, Pensacola, Fla., agency management; T. F. Cass, assistant secretary Indemnity of North America, automobile liability and property damage; J. H. Dillard, Atlanta, superintendent automobile department Fireman's Fund, automobile theft and collision; J. H. Dittman, vice-president U.S.F. & G., burglary; W. L. Falk, manager brokerage department Royal-Liverpool groups, essentials of salesmanship and a complete program for the assured; Felix Hargrett, assistant secretary Home, fire insurance contract; C. A. Harris, assistant manager Alabama Inspection & Rating Bureau, use of the standards; Parks Hunt, vice-president Hurt & Quin, Atlanta, general liability; H. W. Melville, manager marine department American, inland marine, and O. R. Smith, F. W. Williams Agency, Meridian, Miss., fidelity bonds.

### Crump Agency Denies Charges

MEMPHIS, TENN.—Charges on the floor of Congress by Representative Engle of Michigan that "Boss Crump's firm made a profit of from \$75,000 to \$100,000 on insurance written on army cantonments in the south" are emphatically denied by E. H. Crump, Jr., of the E. H. Crump & Sons agency. He says that instead of writing a total of \$500,000 on "army projects all over the south," as charged, his company wrote only one such policy (secured on competitive bids) on an army construction job in Louisiana for a contracting firm with headquarters in Memphis, a regular client of the agency. The assertion was made that E. H. Crump, Sr., who has been in Hot Springs, Ark., for some time, no longer is active in the agency. The agency, according to the statement, was able to secure none of the coverage on the Millington power plant or the Milan ordnance plant, both located near Memphis.

### Map Arkansas Defense Program

LITTLE ROCK, ARK.—Plans have been announced for establishment of a state-wide fire defense program, involving mobilization and coordination of all of the state's fire fighting facilities and training of regular and auxiliary fire personnel in defense measures under the direction of Commissioner Graves, state fire defense coordinator.

H. T. Buchanan, chief engineer of the Arkansas Fire Prevention Bureau, will be the principal assistant coordinator. A comprehensive survey of fire fighting facilities will be made and mutual aid systems developed under his direction. Plans will be formulated for protection of industrial areas requiring unusual protective measures.

### Clarifies Security Purchases

When an officer or director of a domestic insurer is also a director of a bank or brokerage firm his insurer cannot purchase securities from the brokerage firm or bank, according to an opinion of the Kentucky attorney-general. The opinion had been asked by the insurance department.

"While a director's vote in the matter may count but one, his influence may count much and his interest is apparent," the opinion stated.

### Exchange Advertises Stock Cover

JACKSON, TENN.—Members of the Jackson Insurance Exchange have issued a joint recommendation of stock insurance, declaring that the national defense program increases the need for sound insurance and that capital stock insurance is the choice of over 80 percent of all insured, because it provides sound protection without risk of further cost.

### Study Fire Fighting Facilities

OKLAHOMA CITY—At the instigation of Will S. Eberle, chairman fire prevention committee chamber of commerce, Fire Chief George McAlpine is making a survey of Oklahoma City's

fire fighting facilities from the standpoint of headquarters, equipment and man power. Additional demands on the city because of defense expansion and the element of preparedness in case of national emergency are factors of importance in making the survey. When results are compiled, recommendations based on facts thereby ascertained, will be made as to what is essential to protect the city against any emergency.

### Richmond Agents Hosts to School

The Insurance Exchange of Richmond at its June meeting on the campus of the College of William & Mary was host at dinner to speakers at the fire insurance school being held at the college. Students attending the school also were guests. The school was sponsored by the Virginia Association of Insurance Agents and was well attended. Samuel Bigelow, manager of the association, supervised carrying out of the program.

### County Council Controls Insurance

CHATTANOOGA, TENN.—A contract whereby the county council controls the placing of all insurance on Hamilton county school property has been effected. The arrangement meets the full approval of local agents who are seeking to write coverage for the entire school schedule, over which a controversy has raged for some time. A proposal previously made to the county school board by the Chattanooga Insurance Exchange will probably be placed before the council at an early date.

### Confer on Home Fire Defense

STILLWATER, OKLA.—Definite steps for home defense were considered at a conference of mayors and fire chiefs of some 50 cities meeting at Oklahoma A. & M. College. A demonstration was staged by the Stillwater fire department in fighting incendiary bombs and magnesium fires. Fred Heisler, chief of the college's technical training program, reported progress in preparing cities of Oklahoma for any development in the war situation. The chief purpose is to set up auxiliary fire units for use in case of attack.

### Fox Named Oklahoma Secretary

OKLAHOMA CITY—At a meeting of the executive committee of the Oklahoma Association of Insurance Agents, Fred Fox of Oklahoma City was named secretary to succeed M. B. Breeding, who was elected at the recent annual convention, but was unable to serve.

Guy Landes, Tulsa, was chosen national councillor. He is succeeded as executive committee member by Fred Treadwell of Holdenville. Clara Vanduker, formerly of Stratford, Okla., has succeeded Mrs. Mildred Grimm as assistant secretary of the association. Mrs. Grimm, who served in this capacity for several years, resigned recently.

### NEWS BRIEFS

Eric Rogers of Jonesboro, Ark., former president of the Arkansas Association, and Mrs. Rogers have just celebrated their 25th wedding anniversary.

L. P. Jervey, vice-president America Fore in charge of the southern department, Atlanta, stopped in Richmond to renew old acquaintances while on his way to Hot Springs for the meeting of the Southeastern Underwriters Association. He was formerly Virginia special agent of Fidelity-Phenix.

Mrs. John M. Forline was elected president of the Insurance Women's Club of Oklahoma City; Pauline Garver and Annette Jeffers, vice-presidents; Patricia Peebles, secretary; Nellie Creech, treasurer.

The Amarillo (Tex.) Insurance Exchange is holding a stag party, called the Aquatic Reunion, at Buffalo Lake July 11.

## EASTERN STATES ACTIVITIES

### Defense Schools in New England

Percy Charnock of the municipal department of the New England Fire Insurance Rating Association discussed emergency conditions which may confront cities and towns in Maine before several classes of the federal engineering defense school for firemen and water works employees at Portland, Me.

The fire patrol of Worcester, Mass., has started a course of training for insurance men in home defense methods with Superintendent L. C. Waldon in charge.

G. M. McNeil, engineer of the Factory Mutuals, discussed air raid precautions before the school for watchmen of the Massachusetts department of education.

### Fire Defense School June 30

NEW YORK — Representatives of the fire and police departments of the New Jersey cities of Newark, Jersey City, Trenton, Camden, Paterson, Passaic, Bayonne, Hoboken and Elizabeth will be trained by army officers on the most effective means of combating in-

cendiary and high-explosive bombs and poison gas during a two-week course at Edgewood Arsenal, Md., beginning June 30. Other groups will be instructed later, 18 courses in all to be held for representatives from cities in all states along the North Atlantic seaboard.

### Bayonne to Retain Trophy

The "Nelson Trophy," awarded by Harvey B. Nelson, Jersey City, former president of the New Jersey Association of Insurance Agents and president of the Hudson County Safety Council, for reducing fire losses in Hudson County, N. J., to a minimum, will for the third time be awarded to the Bayonne fire department and will become its permanent possession.

### New County Group in N. J.

MORRISTOWN, N. J.—At the organization meeting of the Morris County Association of Insurance Agents, these officers were elected: Sidney K. Howell, Morristown, president; J. A. Smith, Madison, vice-president; J. W. Rogers,



*Progress with*

# PARAMOUNT

...the company as new  
as tomorrow... which  
in its first full year  
of operations, through  
production, ranks with  
the leaders in the  
fire insurance field...

## PARAMOUNT FIRE INSURANCE COMPANY

91 WILLIAM STREET, NEW YORK

Dover, treasurer. The new association starts with about 20 members.

Speakers included H. M. Farrow, president New Jersey Association of Insurance Agents; Theodore Brown, Perth Amboy; G. E. Jamieson, Bloomfield, and W. F. O'Brien, Passaic.

#### Essex County "Day of Fun"

NEWARK—The annual "day of fun" of the Essex County Association of Insurance Agents will be held June 24 at the Rock Spring Country Club. An attendance of more than 100 is expected.

#### N. J. Fire Chiefs Study Defense

ASBURY PARK—The New Jersey Fire Chiefs Association will meet here June 21 to discuss "New Jersey Civil Defense."

#### NEWS BRIEFS

A. C. Meeker, for several years manager of the fire department of the Firemen's group in Boston, recently transferred to the New Jersey field, was given a farewell dinner by fire and casualty men of the Boston office and presented an illuminated testimonial.

The first annual outing of the **Midwest Pennsylvania Agents Association** will be held at the Kittanning Country Club July 15. W. G. Glen, Jacob Zeitler agency, Punxsutawney, is general chairman.

## MARINE

#### Novel Chubb & Son Broadcast

NEW YORK—Chubb & Son is sponsoring a new type of radio program offered as a public service to yachtsmen, fishermen, aviators and all those who plan week-end trips or vacations. "Weather & Yachting News" will be broadcast over WMCA every Friday and Saturday night, 10:25 to 10:30, and Saturday forenoon, 11:45 to 11:50, beginning June 27. In addition to a detailed report on weather conditions, forecasts are made for most of the popular yachting sections along the New Jersey and Connecticut coasts, as well as Long Island Sound.

The program is being handled by R. G. Smith of "Yachting Magazine," who gathers and edits latest data from 39 airport weather stations in addition to last minute reports from government meteorological stations. Chubb & Son is furnishing cards giving time of broadcasts which can be tacked up near radio receivers.

#### To Philadelphia for Aetna Fire

Neal Holmgren, assistant fire examiner, has been transferred from the home office of Aetna Fire to Philadelphia as inland marine underwriter. The transfer will enable the two marine special agents there to devote more time to field work. Mr. Holmgren attended Trinity College and joined the company in 1938, spending two years in the inland marine department.

#### Kennedy on Registry Committee

NEW YORK—L. S. Kennedy, vice-president Marsh & McLennan, has been elected a member of the American Committee on Lloyds Registry of Shipping.

#### Grounding Losses on Lakes

Although there have been no spectacular losses on the Great Lakes so far this season, there have been some expensive losses due to heavily laden vessels going aground. Repairs on one or two

of the vessels that have been damaged in this way may run as high as \$100,000. The Harvester of the International Harvester Company is believed to have suf-

fered the most severe loss of any ship. Lake traffic is at an exceptionally high point this season and it may set an all time high record.

## PACIFIC COAST AND MOUNTAIN

### Rating Practices Criticised by Lacey

PORTLAND, ORE.—The insurance business is hampered by obsolete laws and rules which play havoc with ethics, Hugh Lacey, vice-president Phil Grossmayer Company, declared before the Portland Association of Insurance Agents here. The insurance code was devised during the days of carbon lamps and "were it not for the ingeniousness of agents and companies, the going would be mighty tough indeed, except for the occasional use of unmetered, unsanctioned bypasses."

Although he recognizes the ability of the staff of the Oregon rating bureau, Mr. Lacey pointed to the impossibilities of state supervised rating so long as there is no regulation of dividends paid by participating and mutual companies. As a result elastic rating rules, devious methods for writing business "without benefit of clergy" have been devised.

Although the surety business is thriving for those who write bonds for large contractors, Mr. Lacey pointed out that the small agent is not faring as well on business with small contractor. Mr. Lacey pointed to the direct relation between credit extended by surety companies and that extended by banks. The contractor if he wishes may substitute one for the other. When money was worth 6 to 8 percent the rate on a contract bond of one type was 1½ percent. Now that money is worth anywhere from ¼ to 5 percent, the price of the same contract bond is still 1½ percent. Mr. Lacey urged that more regard be

given to the small contractor and the small agent.

A committee was named to arrange for the annual state convention which will be held here Aug. 14-15. George Merriam, Cosgrove & Co. is chairman. Howard Vallentyne, executive secretary, announced that the state convention would feature several nationally prominent men, among them Fred Moreton, Salt Lake City, National association executive committeeman.

Color films of last year's association picnic were shown. The 1941 outing is July 17 at Jantzen Beach Park. Fred E. Jewett, Jewett & Corman, is general chairman.

### Great American Group on Coast Under One Roof

Supervision of all of the Great American companies on the coast has now been consolidated under Manager Herbert Ryman. He has now taken over supervision of Rochester-American, which had been in the office of Allen H. Talmage, Pacific Coast manager of American of Newark. The arrangement had been entirely satisfactory but Great American desired to have its operations on the coast under one head and the separation was effected in an entirely amicable atmosphere.

### Legal Move in Tacoma Bridge Case

SEATTLE—Petition of the Washington Toll Bridge Authority to remand its suit against the insurance companies on the Tacoma Narrows Bridge line to su-



# NATIONAL UNION

**FIRE INSURANCE  
COMPANY  
PITTSBURGH  
PA.**



**A LEADER  
AS  
A  
GOOD AGENCY  
COMPANY**



Incorporated 1799

## PROVIDENCE WASHINGTON INSURANCE CO.

Incorporated 1928

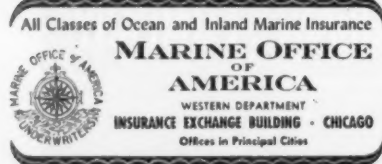
### ANCHOR INSURANCE COMPANY

The founders of the Providence Washington Insurance Company inaugurated the American agency system by the appointment of agents in New London, Connecticut, in 1803.

This Company and its affiliate the Anchor Insurance Company have consistently relied upon the agency system for the production of—

FIRE—WINDSTORM AND ALLIED LINES  
OCEAN and INLAND MARINE—ALL RISKS  
AUTOMOBILE—COMPREHENSIVE—FIRE—THEFT  
and COLLISION

Home Office: 20 Market Square, Providence, R. I.





terior court at Tacoma was taken under advisement by the district federal court, which is to rule before the end of the month.

When the question of venue is finally determined, the suit will begin. The companies are not denying liability, but insist that the state adhere to the arbitration clause in the policy contract in ascertaining the correct amount of loss.

The authority, attempting to invoke the state's valued policy law, contends the bridge is a "constructive total loss," and therefore arbitration is unnecessary. Companies say the bridge can be restored to its former condition by utilizing the piers and two main suspension cables in reconstruction. They feel that the question of design of the bridge should not enter into the determination of the insurance loss.

### Sees Great Casualty Growth

RENO, NEV.—Anticipating a time when casualty insurance premium income will exceed the tremendous figures of life insurance, Robert Mannon, assistant chief underwriter of Occidental Indemnity, outlined the great possibilities for development to the Western Nevada Agents Association here.

He said casualty insurance is the average producer's field of opportunity and that the opportunities in casualty business lie in the less developed and less obvious of the coverages—that the trend today is toward broader and more inclusive coverages.

### Strengthen Seattle Patrols

SEATTLE—Seattle city officials are taking rapid steps to cope with fire prevention and fire fighting problems in the harbor island and industrial area where shipyards, mills and other defense industries are concentrated. Patrols have been strengthened and action is being taken to guard against sabotage threats. The FBI has taken added precautions as the result of a recent sabotage threat to a harbor island shipyard. An oil-soaked mattress was found burning in the sub-structure of the plant and was quickly extinguished by the harbor patrol.

### Beattie Discusses Basic Schedule

SEATTLE—L. B. Beattie, Home of New York, will explain the general basic schedule at an educational meeting of the King County Insurance Association June 19. The meeting is sponsored by the Washington Association of Insurance Agents and the western Washington division of the Special Agents Association of the Pacific Northwest. G. Emory Moore, Fireman's Fund, will be chairman. The National Board's sound motion picture, "Approved by the Underwriters," will be shown.

### Levison Heads Brokers Society

SAN FRANCISCO—John G. Levison of Levison Brothers has been elected chairman of the executive committee of the Society of Insurance Brokers, with James A. Lavensaler, vice-chairman. Mr. Levison succeeds W. Shepard French. The office is equivalent to that of president in other associations.

### Indict Los Angeles Brokers

LOS ANGELES—D. J. Firestone and L. J. Meyers, brokers, have been indicted by the grand jury here in a six-count presentment charging grand theft

of \$3,940 from Newhouse & Sayre and Pacific Employers.

Firestone's membership in the Insurance Exchange was terminated by the exchange early this year.

### Lindholm Spokane Speaker

Arnold M. Lindholm, assistant manager, Washington Surveying & Rating Bureau, Seattle, addressed a joint meeting of the Spokane Insurance Association and the Inland Empire Fire Underwriters Association on the general basic schedule at a dinner meeting in Spokane. He used charts to illustrate his talk. H. B. Speer, Atlas, president of the field men's organization, and R. R. Rogers, president of the Spokane agents, were co-chairmen.

### NEWS BRIEFS

F. D. Parr, president Cal-Union Agencies and head of the San Francisco Safety Council, will be guest of honor at the annual banquet of the Contra Costa County Development Association June 24. He has been responsible for many large industrial plants in the Contra Costa district across the bay from San Francisco.

H. P. Cooper of Indianapolis, secretary National Association of Mutual Insurance Companies, spent the week-end in Portland in conference with a number of Oregon mutuals. In his western trip he attended the convention in Montana.

M. E. Sprague, vice-president in charge of the Home of New York's marine department, visited Seattle the past week and conferred with C. E. Cochran, who had just returned from a visit to the head office. Mr. Sprague was on the last leg of a tour through the coast field. He returned to New York by plane.

Charles A. Craft, Pacific Coast manager Phoenix of London, who has been visiting the Pacific Northwest, left Seattle last week for Alaska. He is expected to return late in June.

In the fire which destroyed much of the business section of Ketchikan, Alaska, the Charles Insurance Agencies suffered a loss of some \$20,000, including most of their records.

## CANADIAN

### Canadian Inland Body Adopts Commission Rule

TORONTO—Backed by a substantial vote of member companies, the new Canadian Inland Underwriters Association has formulated and adopted a proposed plan of operation, which will be under the direction of Wilson McLean, general manager and secretary. According to Mr. McLean, all details of the plan will be in operation no later than Oct. 1.

When the association was formed late last year, one of the problems confronting it was some sort of regulation of commissions. According to the new program, there shall be recognized only two classes of producers to whom commission may be paid by members of the association—supervising agents and direct writing agents and brokers.

### Griffin Gets Occidental

Griffin & Co., Montreal, have been appointed general agents of the Occi-

dental and have opened larger offices in the Lake of the Woods building. Percy H. Griffin heads the firm.

### Security's New Alberta Setup

Security of New Haven has appointed H. M. E. Evans & Co., Edmonton, as fire general agents for the province of Alberta.

This firm replaces Frank Freeze-Cope & Co., Calgary, recently resigned from the Calgary Agents Association.

## MOTOR

### First Bancredit Extends Service

ST. PAUL, MINN.—The favorable results that First Bancredit has had in Chicago with its plan of financing automobile purchases through local agents has led it to extend this service to Cincinnati, Cleveland and Indianapolis.

First Bancredit's "commission getter plan," gives the local agent a chance to sell a financing package which includes a low cost deferred payment plan not

only for all the insurance which the client may wish to carry but also for the purchase of the car itself. It applies to either new or used cars and permits the buyer to purchase his insurance from any agent he selects. In effect, it places the local insurance agent in the same advantageous position as a bank or finance company.

The plan was inaugurated at Chicago some six months ago and First Bancredit executives have decided on a gradual extension of the service.

### Objects to P. D. Insurer Forcing Collision Claim

L. Irving McKay of Detroit, state agent of Northern of London, writes to THE NATIONAL UNDERWRITER with considerable feeling regarding the practice allegedly pursued by a number of casualty companies in the handling of automobile claims. He states that the practice is particularly common among certain automobile specialty companies. The practice, he said, consists of the property damage insurer urging the claimant against its assured to press for a settlement under his own collision policy if he has one. If the claimant has a deductible form of collision, according to Mr. McKay, the property damage

## WHERE TO PLACE YOUR BUSINESS

A guide or directory of responsible and adequately equipped local agents. These offices have nation-wide facilities for handling your out-of-state business.

### ILLINOIS

#### CRITCHELL, MILLER WHITNEY & BARBOUR

Established 1868  
Insurance Exchange Building  
CHICAGO

#### Eliel and Loeb Company

Insurance Exchange  
Chicago

#### FRED. S. JAMES & Co.

Since INSURANCE 1872  
One North La Salle Street  
CHICAGO  
CENtral 7411  
New York San Francisco

#### Marsh & McLennan

Incorporated  
Insurance  
Federal Reserve Bank Bldg.  
164 W. Jackson Blvd. Chicago

#### Moore, Case, Lyman & Hubbard

General Agents  
175 W. JACKSON BLVD.  
CHICAGO  
Wabash 0400

#### ROLLINS, BURDICK, HUNTER CO.

175 W. Jackson Blvd.  
Chicago  
Telephone: Wab. 9600  
New York Seattle

### KENTUCKY

#### GAUNT, HOUSTON & FITZHUGH

General Insurance  
771-781 Starks Bldg.  
Louisville, Ky.

### LOUISIANA

#### LEON IRWIN & CO., Inc.

Established 1895  
General Agents  
New Orleans, La.

### MICHIGAN

#### Detroit Insurance Agency

G. W. Carter, Pres.  
H. L. Newman, Vice-Pres.  
Louis J. Lepper, Sec.-Treas.  
Fisher Bldg. Detroit, Mich.

### MISSOURI

#### Lawton-Byrne-Bruner

INSURANCE  
Saint Louis

### OHIO

#### Walter P. Dolle & Co.

"Insures Anything Insurable"  
Dixie Terminal Building  
CINCINNATI  
Submit Your Propositions to Us

### WISCONSIN

#### Chris Schroeder & Son, Inc.

210 E. Michigan St., MILWAUKEE  
Engineering Service—All Lines  
The largest insurance agency in the State of Wisconsin

### Weavers

## ADJUSTERS! REDUCE YOUR FIRE CLAIMS!

### Consult Us Before Settlements

We reweave to perfection Burns, Stains and Damages in Rugs (Oriental & Domestic), Table Cloths, Tapestries, Wearing Apparel and Upholstered Furniture. Finest Cabinet Refinishing of Furniture burnt by cigarettes.

### All Work Guaranteed

#### AMERICAN WEAVING COMPANY

Est. 1910  
5 North Wabash Ave. Bldg. 13th Floor Chicago  
Phone: DEArborn 1693-4



We serve leading Companies and Adjusters throughout the Country. References gladly furnished.

insurer offers to pay the amount of the deductible, providing the claimant undertakes to recover under his collision policy. Sometimes the adjusters will tell such claimant that the casualty and fire companies have an agreement whereby they wash out such claims on a 50-50 basis.

If the claimant has no collision insurance, then the adjuster resists payment, Mr. McKay states.

The practice has spread, he said, certain companies defending the policy on the ground of self defense. There is

danger that the practice may become common enough so that it will be accepted. Mr. McKay feels that it should be stopped, as it is tainted with deceit and bad faith.

#### West Coast Conference to Meet

The annual meeting of the West Coast Automobile Conference will be held in Del Monte, Cal., June 23-25, with L. S. Moorhead, president of Associated Indemnity and Associated Fire & Marine, presiding.

## Aviation Premiums \$4,792,485

(CONTINUED FROM PAGE 3)

TOTAL HULL RISKS						
Policy Year	Net Pmts. Written	Incurred Losses Inc. Expense	Paid Losses Inc. Expense	Loss Res. Dec. 31, 1940	Loss Ratio	Number of Claims
1937	\$ 500,673	\$ 218,716	\$ 218,716		43.68	17
1938	720,933	782,446	782,446		108.53	25
1939	869,685	699,414	686,164	\$113,250	80.42	40
1940	689,203	469,310	152,238	307,072	66.64	48
Total	\$2,780,494	\$2,159,886	\$1,739,564	\$420,322	77.68	130
Private Pleasure Risks						
1937	\$ 172,865	\$ 64,582	\$ 64,582		37.36	34
1938	270,809	56,804	56,804		20.98	60
1939	240,830	96,306	87,231	\$ 9,075	39.99	267
1940	384,114	134,893	90,709	44,184	35.12	369
Total	\$1,068,618	\$352,585	\$299,326	\$53,259	32.99	730
All Combined						
1937	\$1,605,917	\$ 642,713	\$ 642,713		40.02	200
1938	1,927,408	1,297,317	1,296,967	\$ 350	67.31	288
1939	2,662,056	1,325,919	1,143,760	182,159	49.81	719
1940	3,129,439	1,126,251	633,632	492,619	35.99	1,258
Total	\$9,324,820	\$4,392,200	\$3,717,072	\$675,128	47.10	2,465
PASSENGER LIABILITY RISKS						
Scheduled Air Lines						
1937	\$ 781,432	\$ 384,079	\$ 379,079	\$ 5,000	49.15	104
1938	940,349	456,895	420,342	36,553	48.56	84
1939	1,279,967	259,184	176,072	83,112	20.25	134
1940	932,619	410,709	17,407	393,302	43.99	123
Total	\$3,935,967	\$1,510,867	\$992,900	\$517,967	38.39	445
Industrial Aid Risks						
1937	\$ 40,923	\$ 195	\$ 195		.48	1
1938	37,943	1,521	1,521		4.01	1
1939	29,442	13,528	13,528		45.95	4
1940	29,053					
Total	\$137,361	\$ 15,244	\$ 15,244		11.10	6
Flying Services						
1937	\$ 45,860	\$ 91,708	\$ 90,208	\$ 1,500	199.97	63
1938	36,319	35,626	29,626	6,000	98.09	17
1939	52,969	112,063	27,764	84,299	211.56	29
1940	48,713	17,422	172	17,250	35.76	16
Total	\$183,861	\$256,819	\$147,770	\$109,049	139.68	125
Manufacturers						
1937	\$ 11,849	\$ 26,678	\$ 19,178	\$ 7,500	225.15	18
1938	12,595	30,011	11	30,000	238.28	4
1939	14,836					
1940	10,059					
Total	\$49,339	\$ 56,689	\$ 19,189	\$ 37,500	114.90	22
Private Pleasure Risks						
1937	\$ 33,485	\$ 76	\$ 76		.23	2
1938	32,193	218	218		.68	5
1939	37,325	1,984	1,984		5.31	3
1940	47,732					
Total	\$150,735	\$ 2,278	\$ 2,278		1.51	10
All Combined						
1937	\$ 913,549	\$ 502,736	\$ 488,736	\$ 14,000	55.03	188
1938	1,059,999	524,271	451,718	72,553	49.46	111
1939	1,414,539	386,759	219,348	167,411	27.34	170
1940	1,069,176	428,131	17,579	410,552	40.04	139
Total	\$4,457,263	\$1,841,897	\$1,177,381	\$664,516	41.32	608
PUBLIC LIABILITY RISKS						
Scheduled Air Lines						
1937	\$ 48,646	\$ 94	\$ 94		.19	2
1938	49,526	372	372		.75	1
1939	59,705	7,313	4,813	\$ 2,500	12.25	5
1940	44,445					
Total	\$202,322	\$ 7,779	\$ 5,279	\$ 2,500	3.84	8
Industrial Aid Risks						
1937	\$ 33,230	\$ 330	\$ 330		.99	1
1938	21,512	6,297	6,297		29.27	4
1939	20,881	182	182		.87	1
1940	18,154					
Total	\$93,777	\$ 6,809	\$ 6,809		7.26	6
Flying Services						
1937	\$ 27,746	\$ 11,682	\$ 1,432	\$ 10,250	42.10	12
1938	25,573	8,609	1,109	7,500	33.66	5
1939	75,961	3,183	685	2,498	4.19	16
1940	149,597	35,387	7,953	27,434	23.65	39
Total	\$278,877	\$ 58,861	\$ 11,179	\$ 47,682	21.11	72
Manufacturers						
1937	\$ 17,827	\$ 51,798	\$ 36,798	\$ 15,000	290.56	10
1938	18,971	1,442	942	500	7.60	17
1939	23,437	350	350		1.49	3
1940	45,116	31,942	31,592	350	70.80	3
Total	\$105,351	\$ 85,532	\$ 69,682	\$ 15,850	81.19	33

#### PUBLIC LIABILITY RISKS

Private Pleasure Risks		Paid Losses Inc. Expense		Loss Res. Dec. 31, 1940		Number of Claims	
Policy Year	Net Pmts. Written	Incurred Losses Inc. Expense	Paid Losses Inc. Expense	Loss Res. Dec. 31, 1940	Loss Ratio	Ratio	Claims
1937	\$ 38,708	\$ 118	\$ 118		.30	1	1
1938	37,429	1,300	1,300		3.47	3	3
1939	53,122	7,056	56	\$ 7,000	13.28	5	5
1940	52,203	1,232	232	1,000	2.36	4	4
Total	\$181,462	\$ 9,706	\$ 1,706	\$ 8,000	5.35	13	13
All Combined		Paid Losses Inc. Expense		Loss Res. Dec. 31, 1940		Number of Claims	
1937	\$ 166,157	\$ 64,022	\$ 38,772	\$ 25,250	38.53	26	26
1938	153,011	18,020	10,020	8,000	11.78	30	30
1939	233,106	18,084	6,086	11,998	7.75	30	30
1940	309,515	68,561	39,777	28,784	22.15	46	46
Total	\$861,789	\$ 168,687	\$ 94,655	\$ 74,032	19.57	132	132

#### PROPERTY DAMAGE RISKS

Scheduled Air Lines		Paid Losses Inc. Expense		Loss Res. Dec. 31, 1940		Number of Claims	
Policy Year	Net Pmts. Written	Incurred Losses Inc. Expense	Paid Losses Inc. Expense	Loss Res. Dec. 31, 1940	Loss Ratio	Ratio	Claims
1937	\$ 48,968	\$ 5,724	\$ 5,724		11.68	49	49
1938	50,877	16,832	16,832		33.08	82	82
1939	62,515	10,528	9,400	\$ 1,128	16.84	153	153
1940	44,692	12,853	10,068	2,785	28.76	42	42
Total	\$207,052	\$ 45,937	\$ 42,024	\$ 3,913	22.19	326	326
Industrial Aid Risks		Paid Losses Inc. Expense		Loss Res. Dec. 31, 1940		Number of Claims	
1937	\$ 21,780	\$ 881	\$ 881		4.04	7	7
1938	20,744	836	836		4.02	9	9
1939	17,911	724	724		4.04	9	9
1940	16,528	1,104	1,054	\$ 50	6.67	3	3
Total	\$76,963	\$ 3,545	\$ 3,495	\$ 50	4.61	27	27
Flying Services		Paid Losses Inc. Expense		Loss Res. Dec. 31, 1940		Number of Claims	
1937	\$ 16,752	\$ 5,403	\$ 5,403		32.25	26	26
1938	19,254	3,570	3,070	\$ 500	18.54	19	19
1939	59,960	12,486	6,366	6,120	20.82	58	58
1940	142,005	16,412	7,299	9,113	11.56	109	109
Total	\$237,971	\$ 37,871	\$ 22,138	\$ 15,733	15.91	212	212
Manufacturers		Paid Losses Inc. Expense		Loss Res. Dec. 31, 1940		Number of Claims	
1937	\$ 11,700	\$ 953	\$ 953		8.14	8	8
1938	11,858	4,503	4,503		37.97	19	19
1939	16,325	9,950	9,950		60.95	22	22
1940	38,917	24,535	330	\$ 24,205	63.04	25	25
Total	\$78,800	\$ 39,941	\$ 15,736	\$ 24,205	50.69	74	74
Private Pleasure Risks		Paid Losses Inc. Expense		Loss Res. Dec. 31, 1940		Number of Claims	
1937	\$ 26,238	\$ 2,387	\$ 2,387		9.09	7	7
1938	27,612	2,529	2,529		9.16	15	15
1939	38,546	2,749	2,749		7.13	22	22
1940	42,213	537	130	\$ 407	1.27	8	8
Total	\$134,609	\$ 8,202	\$ 7,795	\$ 407	6.09	52	52
All Combined		Paid Losses Inc. Expense		Loss Res. Dec. 31, 1940		Number of Claims	
1937	\$ 125,438	\$ 15,348	\$ 15,348		12.23	97	97
1938	130,345	28,270	27,770	\$ 500	21.69	144	144
1939	195,257	36,437	29,189	\$ 7,248	18.66	264	264
1940	284,355	55,441	18,881	36,560	19.50	187	187
Total	\$735,395	\$ 135,496	\$ 91,188	\$ 44,308	18.42	692	692

## Extensive Rule and Rate Changes by Pacific Board

(CONTINUED FROM PAGE 3)

tional charges and expenses of packing plants has been clarified in one or two respects.

Earthquake insurance on building contents now takes the rates prescribed for the use with the earthquake assumption endorsement, plus 10 percent, instead of the same rate as the building, as formerly. The classification of contents of various risks has been amplified and the rate on household furniture in dwellings has been reduced to correspond to the rate of the building.

District regulations for Montana have been amplified concerning rates for public properties and basis rates for building classes are now set. A reduced dwelling basis for the western section of Nevada county, Calif., is now provided.

Rates for Class C cotton warehouses, cotton seed in the open and separate rate for private garage not on dwelling premises are now published. General storage warehouse rates as to certain hazardous commodities in storage have been clarified.

#### Commissions Increased

The schedule of commissions payable to agents has been corrected to show an increase for errors and omissions insurance from 15 to 25 percent.

The farm tariff, three-fourths value clause requirement is eliminated as applying to insurance on livestock.

Extended coverage endorsement rules and rates are amended to provide rates under the dwelling classification for cottages, cabins and habitational buildings and garages and outbuildings in auto courts, motels and trailer parks. An explanation of the application of rates to auto courts, motels and trailer parks under extended coverage endorsement regulations is provided as are also the

rates for incidental mercantile risks in connection therewith. Structures in course of construction and also builders risk extended coverage rates on the basis of the completed building rates may now be applied to the cottages, cabins, garages and outbuildings in auto courts, motels and trailer parks under a change in the rule.

#### Extended Coverage Changes

Extended coverage on butane and propane storage tanks is now rated under occupancy Grade 3. Grandstands and bleachers are given occupancy Grade 1 rates, if enclosed on all four sides when of frame construction.

The extended coverage endorsement section has been supplemented by separate treatment of farm property, under which the extended coverage endorsement may be attached to certain specially rated farm risks in California, in addition to farm dwellings, which alone have heretofore been eligible for the endorsement.

#### Teano Is 25-Year Man

Richard Teano, agency secretary of Central of Baltimore, has completed 25 years in its service. The occasion was recognized at the home office and he received many messages of congratulations. Mr. Teano started as a map clerk. He was made an assistant secretary in 1928. He has had entire charge of the agency business since 1939, and was made agency secretary last March.





## Tuberculosis May Be Occupational

(CONTINUED FROM PAGE 16)

force industry and insurance to realize that they will ultimately be faced with treating many cases of tuberculosis as their responsibility. Sweeping under the law by broad strokes in the guise of an injury or an unspecified occupational disease, is not the right way to deal with the problem, Mr. Sayer said. This course lends itself to unevenness of treatment and too much to the liberality of officials or to their cleverness in making a record that will sustain legally the imposition of liability on industry for any sort of a case.

### Tort Liability Heavy Burden

Tuberculosis may be a characteristic hazard of certain types of employment. Under the safe place of work rule, the courts are imposing liability for a tort on the employer where the compensation law does not cover the occupational disease liability. This often amounts to a heavy penalty, he said, and is very unsatisfactory because it imposes an uneven burden. The allowance of such claims depends upon the skill with which the cases are prepared and presented and upon the viewpoint of the medical witnesses who present the facts and opinions for the consideration of a jury. Large judgments are sometimes obtained in this way and yet in some other cases intrinsically more worthy, no recovery is had at all. This does not breed respect for law, nor does it distribute industry's money in a manner that does the greatest good for the greatest number.

It is important in all risks that the universality of the disease be recognized, Mr. Sayer said. Not every case happening to a worker should be compensated and none should be without a just basis of liability of the employment. Mere fanciful aggravations and activations of preexisting conditions should not be permitted to impose liability upon the employer. Sympathetic considerations and social needs should not be permitted to take the place of facts in establishing clearly a liability.

### Faced With Existing Impairments

In working out the program for dealing with tuberculosis under compensation laws, industry and insurance would be met with the great burden of already existing impairments, which could not be handled all at once. One of the great injustices of the present situation, Mr. Sayer said, is that an old, long standing tuberculosis, for which the employer may be in no way responsible, becomes his liability by reason of some exposure or some event that is translated into terms of an accident which activates the case so that it becomes disabling. The entire compensation burden for these exposures and events should not be placed upon the employer. He had at best a very small part in it and from an insurance and industrial point of view such cases cannot be transferred immediately into the full liability of the employer. A fair view would dictate some sort of a gradual approach to the liability, such as was done in New York and some other states in the silicosis problem, though the back log of accrued liability for tuberculosis is considerably greater. Failure to follow this course would lead to chaos and unemployment, he said.

In any such solution of the problem in industry, many details will have to be worked out. Physical examination should be more rigorous and more frequent. X-ray examinations at the beginning of employment and upon the slightest suspicion of any chest condition or injury should be conducted. Selection of employment and removal of infected workers from contact with their fellows is vital, he said. Engineers must study every condition of employment with the advice and cooperation of competent medical advisors. Industrial hygiene must be made very real in many industries where it is not now sufficiently recognized and states must be persuaded of the importance of making industrial hygiene an integral part of

their administrative machinery. The medical profession must accept the program as a sane and reasonable approach and recognize that industry cannot carry the load if it is to be charged with liabilities that do not rightly belong to it. Doctors must realize that mere speculation and conjecture must not be indulged.

### Chicago-Milwaukee Outing

The first 1941 joint outing of the Surety Associations of Chicago and Milwaukee will be held at the Ozaukee Country Club, Milwaukee, next Tuesday. The Chicago group will make the trip in a special car. There will be another joint field day in Chicago in September. R. F. Munsell, Ocean Accident, is chairman of the Chicago committee and Robert Phillips, U. S. F. & G., of the Milwaukee committee.

### Leslie Gives Explanation of New Rating Plan

(CONTINUED FROM PAGE 16)

this manner. To this extent the carriers must put their trust in the good faith of the government to deal with them fairly and equitably.

"The allowance for claim expenses is 12 percent of the incurred losses plus all allocated claim expenses. This is an adequate allowance and should permit the carriers to discharge this important service in a manner satisfactory to themselves, the war department and the claimants.

"The allowance for administration, payroll audit and engineering service is calculated at 6.5 percent of the standard premium for risks up to \$700,000 in premium size; above that it is 6.3 percent. This allowance would be inadequate for risks of lesser size than those contemplated in connection with national defense projects which are handled on a cost-plus-fixed-fee basis. Some of these projects exceed a million dollars in premium and it is expected that they will average in excess of \$200,000 per risk. The normal allowance in compensation rates for engineering and board and bureau expenses is 2.5 percent of the premium. Board and bureau expenses average .8 percent and this is separately charged for as part of the tax loading. This means that only 1.7 percent is available normally for safety engineering service. Several studies have been made of administration and payroll audit cost by size of risk and these have shown a diminishing cost by size—a figure of 4 percent being reached for risks above \$10,000 in premium size. Now if we take 4 percent for administration and audit expense allowance and 1.7 percent for engineering, we have a margin of .8 percent in the 6.5 percent which is allowed for these items. This is to care for contingencies, such as higher engineering costs, excess losses, etc. The allowance, while providing no margin for profit, is sufficient for the purposes intended.

"The allowance for the 'insurance charge' is calculated on the basis of tables established from workmen's compensation experience in the manner normally followed in the regular retrospective rating plans. It is believed from the actual experience on retrospectively rated risks that these allowances, if anything, are more than adequate, particularly for risks of the type here involved.

"Mr. Leslie stated the war department rating plan is sound in principle

### Reduce Insurance Rates

Recommend

JUSTRITE OILY WASTE  
AND SAFETY CANS

Approved and Labeled by the Underwriters Laboratories and Associated Factories Mutual Insurance Co's

JUSTRITE MANUFACTURING CO.

2067 SOUTHPORT AVE. CHICAGO, ILL.

## FULL EFFICIENCY . .

will be assured to the agent  
who enlists the support of  
qualified fieldmen.

Such support is offered and  
guaranteed by fieldmen of  
New York Underwriters.

### New York Underwriters Insurance Company

Under management of  
A. & J. H. STODDART

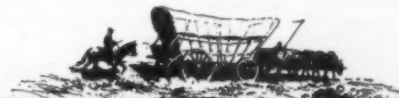
90 John Street

New York



## Analyze the Thumb Print of Your Agency Service

If it does not disclose all the whorls of success, if it does not disclose that your service is better than that of your friendly competitors—more dependable, more aggressive, more sympathetic, more thorough—consider making a complete constructive analysis of your production efforts. Ask your Springfield Group fieldman to help you.



## THE SPRINGFIELD GROUP

WALTER B. CRUTTENDEN, President

SPRINGFIELD FIRE & MARINE INSURANCE COMPANY . . . SPRINGFIELD, MASS.  
CONSTITUTION DEPARTMENT . . . SPRINGFIELD, MASS.  
SENTINEL FIRE INSURANCE COMPANY . . . SPRINGFIELD, MASS.  
MICHIGAN FIRE & MARINE INSURANCE COMPANY . . . DETROIT, MICH.  
NEW ENGLAND FIRE INSURANCE COMPANY . . . PITTSFIELD, MASS.

## OF FIRE INSURANCE COMPANIES

and that the allowances are sufficient to permit the carriers to operate under the plan on an actual cost basis. There is little possibility of any profit but that was the purpose and intention of the war department in developing the plan. The plan does away with competitive bidding for insurance and that could only be done on a 'non-profit' basis. It permits the war department to get the services of trained insurance adjusters and engineers and to insure against a cost in excess of a predetermined maximum figure."

### Good Scotchman of Old Travels Over the Hills

(CONTINUED FROM PAGE 13)

partment of the Connecticut Fire in Chicago. Some of the office men lunched together each day and at times the field men would come in. They were called the "Joys." Then later the "Glooms" or outside people were annexed. The first czar was G. H. Worthington who was chief clerk in the western department. On his death Mr. Monroe became the czar. In his later years, frail in health, he would go to Chicago to attend the Joys & Glooms dinner and enjoy it most ardently. He did not feel physically able, however, to attend the Life Members Society of the Northwest Association the following evening. He



A. H. MONROE

presided over the Joys & Glooms last October. He was in his element, shining, brilliant, cordial, full of good humor and at times assuming the absolutism of a real czar. Perhaps in that atmosphere he found again the old friends of his early days and basked in their friendship.

Mr. Monroe's funeral was held Wednesday at Indianapolis, interment being at Crown Hill in that city.

He was greatly beloved by a large circle of friends and it can be truly said that he lived abundantly. He had a wholesome sense of humor and too had the faculty of inspiring his associates to their best efforts. He was a congenial companion and a loyal friend. He was held in affectionate regard by the younger men of the field who came to know him upon his return to Indiana after retirement.

He was a member of the Presbyterian Church. He is survived by two daughters, Mrs. W. Buchard Day, Westfield, N. J., and Mrs. Ray M. Jones, Chicago, a brother, Alpin Monroe, Charleston, W. Va., five grandchildren and four great grandchildren. D. J. Monroe, Indiana special agent of the Hartford Fire, is a nephew.

### New Quarters for Houston Branch

The Southwestern office of Pacific Employers at Houston has moved to new quarters on the 22nd floor of the Commerce building. According to Manager B. F. King, the space is larger to take care of the steadily increasing service, personnel and clerical forces.

### Securities Transactions of Insurers in 1940 Traced

Securities transactions of more than 1,000 insurance companies during 1940 totaled \$6,491,311,428, according to the 1941 edition of Poor's Purchases & Sales of Securities. This is about 6 percent less than the 1939 volume. The figure for 1940 is equivalent to an average of nearly \$22,000,000 worth of securities transactions every working day.

Purchases of securities in 1940 amounted to \$4,075,324,705, as compared with \$4,622,412,382 the previous year. Sales increased from \$2,271,845,254 to \$2,415,986,723.

### Big Mill Mutual Losses

The Mill Mutual group of companies in the last several weeks has been involved in two substantial fire losses. The first was that of the Doughnut Corporation of America in Baltimore. Although the newspapers estimated that this loss might amount to \$2,000,000, it is likely to be somewhere near half that figure. The Mill Mutuals also had better than half of the insurance on the plant of the Lawrenceburg Rolling Mill Company at Lawrenceburg, Ind., and their portion of the loss may amount to about \$400,000.

### Big Fire at Salisbury

A stubborn blaze swept the upper floors of three buildings in the heart of the shopping district of Salisbury, Md., Monday. The loss is estimated at \$250,000. Ulman's Opera House, which is located on the second floor of one of the burned buildings, was completely destroyed, and a furniture store on the first floor was damaged. The adjoining building, which housed a print shop, beauty parlor, dental office and shoe store, was also destroyed. Seven persons residing in the apartments on the upper floors of the third building were driven from their beds and taken to safety.

### Mutual Officers Reelected

BOSTON—F. E. Wheeler, assistant secretary of Worcester Mutual Fire, was reelected president of the Mutual Fire Insurance Association of New England at the annual meeting. In his report, Mr. Wheeler pointed to passage of the nonassessable bill in New Hampshire as one of the most important accomplishments of his administration. He expressed the hope that similar legislation would be enacted in Massachusetts, the last remaining state to require contingent liability for mutual companies, during the present legislative session.

Other officers were reelected. The second vice-president, Carl G. Gesen, who is secretary of Manufacturers & Merchants Mutual of Concord, N. H., is at Pearl Harbor, Hawaii, as a lieutenant commander of the navy.

### Company Buyers Hold Forth

The Association of Insurance Company Buyers met Tuesday in Hartford for its annual meeting. A luncheon was served at Connecticut Mutual Life and the visitors inspected the plant there. Chief speaker was E. D. Taylor, executive secretary of the Office Equipment Manufacture Institute. He outlined the changes in office planning procedure made necessary by demands of defense industries for steel and other products used for manufacture of office equipment.

### Wage and Hour Act Binding

NASHVILLE—The question of whether the local agencies are under the federal wage and hour law, brought to the attention of authorities by R. T. Cawthon, secretary of the Tennessee Association of Insurance Agents, resulted in a ruling by the regional director here that "the wage and hour division is of the opinion that in the ordinary case the normal activities of insurance companies and agencies are such that their employees are engaged in interstate commerce and are within the coverage of the act."

## STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. La Salle St., Chicago, at close of business June 16, 1941.

	Par	Div.	Bid	Asked
Aetna Cas. ....	10	4.50*	120	125
Aetna Fire ....	10	1.80*	53	55
Aetna Life ....	10	1.40*	26	27 1/2
Amer. Alliance. 10	1.20*	22	23 1/2	
Amer. Equitable 5	1.00	19 1/2	21	
Amer. Home ....	10	...	5 1/2	6 1/2
Amer. (N. J.) ...	2.50	.60*	12 1/2	13 1/2
Amer. Surety ...	25	2.50	46 1/2	48
Automobile ....	10	1.40*	34	36
Balt. Amer. ....	2.50	.40*	7 1/4	8
Bankers & Ship. 25	5.00	92	95	
Boston ....	100	21.00*	595	615
Camden Fire ...	5	1.00	19 1/2	21
Carolina ....	10	1.40*	27 1/2	29
Contl. Cas. ....	5	1.50*	30	31 1/2
Contl. N. Y. ...	2.50	2.00*	38 1/2	40
Fidelity-Phen. ...	2.50	2.00*	38 1/2	40
Fire Assn. ....	10	2.50*	61	64
Firemen's (N.J.) 5	.40	9	10	
Franklin Fire ...	5	1.40*	28 1/2	30
Gen. Reinsur. ...	5	2.00	39	41
Georgia Home. 10	1.20*	23	25	
Glens Falls ....	5	1.60	42	44
Globe & Repub. 5	.50	10	11	
Gt. Amer. Fire. 5	1.20*	26	28	
Gt. Amer. Ind. ...	1	1.00	19	22
Halifax ....	10	1.00**	9 1/2	10 1/2
Hanover Fire ...	10	1.20	25	26 1/2
Hartford Fire. 10	2.50*	87	90	
Home Fire Sec. 10	...	1 1/2	2	
Home (N. Y.) ...	5	1.60*	30 1/2	32
Ins. Co. of N. A. 10	3.00*	74	76	
Maryland Cas. ...	1	...	2 1/2	3 1/4
Mass. Bonding. 12.50	3.50	61	63	
Mer. (N.Y.) Com. 5	2.00*	48	50	
Natl. Cas. ....	10	1.00	24 1/2	26
Natl. Fire ....	10	2.00	59	61
Natl. Liberty ...	2	.40	7 1/2	8 1/2
Natl. Un. Fire. 20	5.00*	145	149	
New Amst. Cas. 2	.85	16 1/2	17 1/2	
New Hampshire 10	1.80*	45	47	
Northern (N.Y.) 12.50	5.00*	97	100	
North River ...	2.50	1.00	23 1/2	25
Ohio Cas. ....	5	1.20*	35 1/2	38
Phoenix, Conn. 10	3.00*	85	88	
Preferred Acci. 5	.80	13 1/2	14 1/2	
Prov. Wash. ...	10	1.40*	33 1/2	35
St. Paul F. & M. 62.50	8.00	245	255	
Security, Conn. 10	1.40	34	36	
Sprgfd. F. & M. 25	4.75*	118	123	
Standard Acci. 10	2.50	46	48	
Travelers ....	100	16.00	390	410
U. S. Fire ....	4	2.00	46 1/2	48 1/2
U. S. F. & G. ...	2	1.00	21 1/2	22 1/2

### Louisville Women Are Hosts

LOUISVILLE—The Louisville Insurance Women's Association held a banquet in honor of visiting Denver and Kansas City insurance women. Mrs. Elsie Mayer, Denver, president National Association of Insurance Women, was the speaker. Mrs. Florence Scott, Jefferson, Noyes & Embury agency, Louisville association president, presided.

W. L. Chase, inland marine superintendent in the western department of America Fore, and Mrs. Chase announce the arrival of a son at the Evanston Hospital, Evanston, Ill., Tuesday morning of this week. He is named W. L. Chase, Jr. He has an older sister.

## CASUALTY

### Armored Car Strike Creates an Insurance Situation

NEW YORK—The strike of drivers and guards of five armored car transportation companies here has created quite an insurance situation.

While the bankers blanket bond, which most banks carry, steps in to protect money and securities whenever there is no armored car insurance (but only then), commercial houses have depended almost entirely on the insurance carried by armored car services for protection of their money while in local transit. They have been carrying little or no messenger holdup, except possibly a nominal amount to cover handling of small sums. This means that commercial houses are having to buy messenger protection immediately.

Insurance people as well as bankers are uneasy over the situation. While several of the big banks maintain an armored car service of their own, the great majority of financial institutions are dependent upon the transportation companies for the shipment of their funds and securities from point to point. They do not care much for using taxicabs in such connection, though compelled to do so in a measure just now.

Armored car corporations carry insurance up to \$5,000,000 each guaranteeing the safe delivery of shipments entrusted to their care, and not infrequently an excess over that figure is taken out by bankers and brokers to protect unusually large amount at risk.

Should the strike continue for any length of time, there might be an increase in loss experience. Widely extended use of armored car service has held down rates, it is said.

### Boiler Engineers to Confer

NEW YORK—The engineers' conference of the boiler and machinery division of the National Bureau of Casualty & Surety Underwriters will take place June 25 aboard the "Muriel," 50-foot auxiliary yawl owned by J. P. H. DeWindt, manager of the division. About 30 will be on hand. After the morning's sail luncheon will be served, followed by the conference, which will last all afternoon. The party will sail back to port in the evening.

### Decision on Mutual Assessment

COLUMBUS—The Ohio supreme court upheld the Hamilton county court ruling that a mutual insurance policyholder cannot set up a claim against an assessment made by a liquidator. The



In  
downtown  
LOS ANGELES  
**HOTEL  
CLARK**

15 Minutes from HOLLYWOOD

ROOMS

555

BATHS

from

\$2.50 per day

WITH the movie capital of the world and radio city within the borders of Los Angeles, entertainment reaches its zenith. Gay nights, laughter and life; sunny days filled with thrills and excitement. In the center of everything is situated the HOTEL CLARK at Fifth and Hill Streets. A hotel where you will enjoy hospitality to its fullest extent; where you will find your every wish anticipated. Whether you stay in Los Angeles for a few days or a month, choose Hotel Clark, downtown in the heart of things.



insurance department took over Tower Mutual in 1938. It levied an assessment of \$5,940 against the Cincinnati Checker Cab Co. The latter, a policyholder, set up a claim of \$17,361. It said it has suffered this amount of loss under its policies, but the court ruled it must pay the assessment in full.

## Demolition of Postal Building Elicits Memories

(CONTINUED FROM PAGE 17)

ceeded Mr. Neuberger on his death. The office subsequently was moved to the Insurance Exchange.

### Great American

Great American was a Rialto building tenant, it being presided over by the eminent, dignified, scholarly Judge Eugene Cary. He was often the spokesman of the western underwriters because of his impressive and telling speech. He was in a sense the oracle of the west, if such could be the case in that great company of individualists. Judge Cary was one of the leading exponents of separation and he often was heard in defense of that most important movement. Those were ardent, stirring days with animosity stirred up on both sides. In the midst of the melee, a local agent of Troy, O., A. R. Hawthorne, a sort of fire eater, sent a letter to Judge Cary, making some pertinent and searching inquiries regarding his position on agency separation. It was a masterpiece of its kind and aroused many risibilities coming as it did from a man who was not in a position to make such informed inquiries. It bore all the ear-marks of John G. Monrose, then Ohio state agent of Continental, a pungent, sharp writer who knew how to make rapier thrusts. He led the non-union forces in Ohio against separation and was decidedly militant.

### Hawthorne's Scarlet Letter

Judge Cary responded in his accustomed judicial, logical style, too massive in a way to be clearly understood but it delineated in a masterful way the doctrine of separation and the reasons for its enforcement. Judge Cary was the author of that famous provision which left the decision entirely to the agent. If the agent desired a mixed agency, his commission would be 15 percent. If he cast his lot only with union companies, the commission was 15, 20 and 25 percent. That was an astute, far reaching program and Judge Cary was justly proud of it. The "Western Underwriter's" caption on the published correspondence was "Hawthorne's Scarlet Letter," one in which I took some personal pride as a head writer.

Rogers Porter, a mild mannered, colorless but faithful man, was Judge Cary's assistant. W. C. Lerch, now manager of the Underwriters Grain Association, was chief clerk. Judge Cary brought in another assistant, he being Walter H. Sage, one of the top-notchers in the Ohio field who later on succeeded to the management and became one of the most potent western administrators.

### World's Fair Tragedy

During the early stages of the St. Louis world's fair, the companies shied at writing the business because of the supposed insufficient fire protection. It became a major issue. The directors of the fair invited western managers and company executives to St. Louis, an inspection was made, the tour ending with a banquet. Judge Cary was the chief spokesman for the insurance interests. He was preceded by Manager I. S. Blackwelder of Niagara. Was it a coincidence or not? After Judge Cary sat down from his address, he died instantly. Not long after at that brilliant 25th anniversary celebration of the Western Union at Thousand Islands in the St. Lawrence River, over which President Geo. P. Sheldon of Phenix of Brooklyn presided, Mr. Blackwelder spoke and following him was H. M.



### BEFORE THE CAMERA AT COMMISSIONERS MEETING:

Top—G. W. Lilly, general manager Fire Companies Adjustment Bureau; A. E. Bromsmith, Travelers attorney; and Milton B. Ignatius, New York City attorney.  
Center—C. E. Ryan, chief examiner; T. J. Cullen and Edward McLoughlin, deputy superintendents, all of New York insurance department.  
Below—G. L. Pumphret, Boston; Frank Tierney, Springfield, Mass., and Edwin Giesing, Detroit, all of General Accident. Pictures by H. H. Fuller, deputy U. S. manager of Zurich.

Magill of Cincinnati, retired western manager of Phoenix of Connecticut. He had committed to memory some verses he wrote commemorating the presidents of the organization. He had just completed his tribute when he fell forward on the table, and expired. Was Mr. Blackwelder a jinx? For many years, the western managers held no banquets after these tragic experiences. Mr. Sage moved the office to 76 West Monroe street where another insurance headquarters building was established.

### Niagara Fire's Office

The Niagara Fire's department was headed by Mr. Blackwelder. About this man could be written a chapter replete with curious anecdotes. The three managers whose careers seemed to have elicited more stories and incidents than any others were Mr. Blackwelder, J. J. McDonald and Col. Halle, manager of Germania Fire. Mr. Blackwelder was a man with a golden heart and generous impulses—too generous really for his own welfare. He was nervous, tense, high

strung, his wrath easily kindled at times. Yet he had the tenderness of a child, the fine sentiment of a gentleman. Mr. Blackwelder unjustly at times accused people of wrongful acts. He developed a most intense bitterness against and hatred for W. L. Steele whom the company appointed assistant manager. From the very inception of the relationship Mr. Blackwelder was deeply prejudiced against him. He subjected him to many indignities. Mr. Blackwelder possessed a bitter tongue and he used it in talking about Mr. Steele. He believed Mr. Steele was attempting to undermine him in order to fall heir to the managership.

### Unjust to Mr. Steele

Mr. Blackwelder was cruelly unjust to Mr. Steele. During all those years Mr. Steele pursued his way without a word of protest although at times the temptation vigorously to resist must have been overwhelming. Mr. Steele was always reserved and austere, but a brilliant and successful underwriter. He

adopted a policy of appeasement. He dodged brick bats and met the day's duties as best he could under trying circumstances. He never uttered a word of criticism against Mr. Blackwelder. He kept his own counsel and when he was compelled to take a course he knew the company desired him to follow but which incurred Mr. Blackwelder's displeasure, he did so with the utmost consideration of the manager's feelings. On Mr. Blackwelder's retirement, Mr. Steele went into his office the last day and presented the manager with his personal check for \$1,000. He said in effect "Mr. Blackwelder, I want you to accept this from me as a personal expression of good will. Our relationship has not been harmonious. You have had some poignant experiences. I hold you in high regard." As Mr. Steele stepped away, Mr. Blackwelder burst into tears, wept profusely, took Mr. Steele's hand but said nothing.

### Story About Mr. Blackwelder

Just one story about Mr. Blackwelder. He truly hoisted himself out of position. He was outspoken in criticism of his officials. He was not selective to whom he made this criticism. It reached the home office and it was endured for some time. Then he was called to New York City and his retirement was arranged. He returned to Chicago, invited T. R. Weddell who conducted the insurance news department for the "Record-Herald," his cousin, Attorney Jos. E. Paden, and me to lunch. At that time, I was writing the insurance news for the "Chicago Tribune" as well as being managing editor of our paper. Mr. Blackwelder desired the announcement to be made the following morning and he gave us the background of the story. I received a call from him the first moment he arrived at his office the following morning. I found him in a state of intense emotion. His eyes quivered as they always did when he was excited. He said, "Tell me what have I done to incur Tom Weddell's hostility?" I replied that I was sure Mr. Weddell felt most kindly. Then in an outburst of rage, he threw the "Record-Herald" violently on his desk and said "Did you see the damnable way he referred to me. Why did he not say, 'I. S. Blackwelder' and not Isaac S. Blackwelder. I loved my parents as much as any child but why they gave me such a name as Isaac Simeon I never could tell. No one calls me by my first name."

It was true that I never heard him called by his intimates, not even by his wife, by his first name. It was always Mr. Blackwelder or Blackwelder.

Mr. Blackwelder moved the department to the Manhattan building and later to 29 South LaSalle. Subsequently it went to the Insurance Exchange.

### Major Harding and the Springfield

Springfield F. & M., a Rialto building tenant, had as its head Major A. J. Harding, as genteel a man as ever graced the insurance business. He was surely "to manner born." He was seldom heard in addressing a meeting but his counsel was often sought. He was calm in his demeanor, he built his organization according to high standards. He was well grounded in the fundamentals. He governed with the mind of a master. Major Harding built men be-

FACTUAL APPRAISALS

Impartial Valuations  
of Industrial and  
Commercial Property... A  
quarter century of factual  
appraisal service to Amer-  
ica's more conservative  
business institutions.

The Lloyd-Thomas Co.

APPRAISAL ENGINEERS  
EXECUTIVE OFFICES

NEW YORK  
350 FIFTH AVE.

CHICAGO  
4411 RAVENSWOOD AVE.

DISTRICT OFFICES IN OTHER PRINCIPAL CITIES.

cause he gave them authority. He backed them up in their decisions so far as the outside was concerned. Attempts often were made to go over the heads of Assistant Manager A. F. Dean or Second Assistant Manager W. A. Blodgett or some department head, but Major Harding always asked such to return to the original source. Mr. Dean succeeded to the management. His assistants were J. C. Harding and W. H. Lininger. The office migrated to the McKimlock building, 209 West Jackson boulevard, which also became an insurance headquarters, and finally to 222 W. Adams street.

Still another tenant in the Rialto building was London & Lancashire with J. S. Belden as its chief. Here was a gentleman of the old school, a man of nobility and fine feeling. His lieutenant was W. C. Boorn who later became one of the assistant managers of Hartford. Mr. Boorn was interested in music and Mr. Belden did much to encourage him in that pursuit. It was unfortunate that Mr. Belden's career with L. & L. ended with ill feeling. The company bought Orient. Chas. E. Dox, who had been southern manager of L. & L., was taken to Hartford, as an official. He was sent to Chicago to be Orient's manager. Mr. Belden naturally foresaw the day when Mr. Dox would take charge of both companies. Mr. Dox was blunt and outspoken, evidently not a personality that would appeal to Mr. Belden. He resigned and soon was made manager of the Fire Association. The two companies combined their office in the New York Life building.

Frank A. Meinel was Mr. Dox' agency superintendent he later going to New York, being succeeded by John F. Stafford, who was Minnesota state agent.

## Pink O. K.'s HOLC Scheme in N. Y.

(CONTINUED FROM PAGE 1)

suant to the supplemental agreement, the services rendered and the relationship of the compensation and services to the premium and insurance coverage go beyond the scope of their apparent purpose. The attorney general tells Mr. Pink that this experience and the result of the operations under these agreements will be the best guide in enabling the superintendent to determine whether in fact rebating or agency violations are represented.

Superintendent Pink has now agreed to permit use of the HOLC plan but with the stipulation that the department will examine the operations under the contract after a six months' period has expired. This would, he said, carry out the attorney-general's thought that the legality of the plan is largely a factual matter, depending on whether the payments "go beyond the scope of their apparent purpose."

Mr. Pink said it would not be advisable for the department to fix an arbitrary limit to the compensation to be paid the HOLC but said "it is only fair to point out that the cost of the preventive work carried on by the companies does not exceed 5 percent." Despite the attorney-general's approval Mr. Pink observed in his memorandum that the arrangement presents many possible complications and that it may prove to be detrimental to the best interests of the business in the future.

If payments are made for the HOLC's services to its mortgaged properties, it stands to reason that similar agreements should be permitted with other large institutions having an inspection service to justify some arrangements of this nature, he stated. It would then become the duty of the department to investigate each such arrangement to see that the compensation was fair and reasonable and not in the nature of an inducement to obtain the insurance. He said this makes a very difficult situation for the department and "opens the door to very serious abuses on the part

of the companies and the larger insured."

The 25 percent figure mentioned in the earlier agreement, while perhaps not excessive when compared with the actual cost of operating the HOLC's services, is certainly more than the small policyholder can afford to pay for such services, Mr. Pink continued.

"It has been demonstrated by experience that it does not pay to make frequent inspections and check-ups of small properties where premiums are very low," he said. "It does pay to do this in the case of large properties where substantial savings can be made by fire prevention work. It would undoubtedly be more in the interests of the owners of these small dwellings who pay the premiums, many of whom are in distress, to receive a reduction in rate of 25 percent than to contribute to the HOLC for services which are incidental to its mortgage activities and would seem to have no substantial effect on the loss ratio.

"An agreement of this nature is apt to cause general dissatisfaction when it becomes known and may lead to demands for rate reductions which are not justified. In our previous decision we suggested a rating plan which would be applicable in the case of common ownership or control of a large number of properties which would give opportunity for reasonable reductions where experience shows that it is proper. We still believe that this or some other plan built along correct rating principles would be preferable to the contract that has been signed."

## Abandoned Machinery Brings Thrice Original Cost

NEW YORK—Much significance is attached to the result of a recent sale at Providence of heavy machinery in an abandoned plant. While the machinery had been used for a number of years, yet at auction it brought three times its original cost. This is a graphic illus-

tration of the increase in value of many types of property.

## Larson Takes on Fire Marshal Duty

TALLAHASSEE, FLA.—J. Edwin Larson, state treasurer, now has the added title of state fire marshal, due to the passage of an act adding this work to his department, which also embraces insurance supervision. Mr. Larson agreed to administer the law out of general appropriation for salaries and expenses of the insurance department, and without any extra tax or appropriation.

## CALLED TO SERVICE

Three Western Adjustment men have just reported to the induction centers in their localities and have not yet been assigned to camps. They are J. H. Fisher, adjuster, Evansville, Ind.; H. L. Larson, adjuster, Springfield, Ill., and J. O. Wigen, Chicago.

Roscoe H. Johnson, who has been in the loss department of America Fore in Chicago, has joined the Canadian air force as pilot's officer.

Members of the staff of the Cotton Insurance Association, Atlanta, who are in the service include: G. Rainey Williams, engineer, a major with general headquarters, fourth corps area; John

S. Cook, first lieutenant in the anti-aircraft artillery, Camp Davis, N. C.; W. M. Parker, chief underwriter, petty officer on the ammunition carrier, Lassen, and Stanley Wheelless, assigned to the same ship.

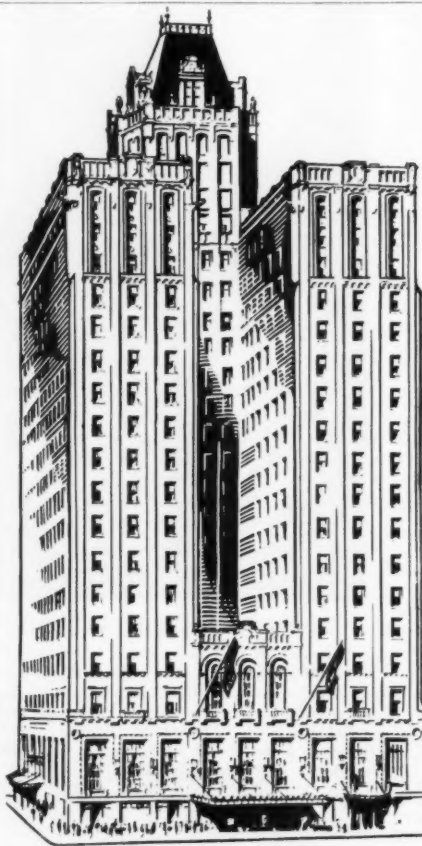
Jake Mosselman, claim adjuster for Continental Casualty, Chicago, 10 years, and Ralph Kline, underwriter in the accident and health department, have been inducted into the army.

Capt. M. F. Penfield, Oregon state agent Royal-Liverpool groups has been called to active army duty and has reported at Fort Lewis, Wash. J. G. Egan, Liverpool & London & Globe special agent in northern California will be in temporary charge of the state, assisted by Hugh G. Hammond, special agent.

John Beverley, counterman for National Liberty in Chicago, has been inducted into the army.

H. S. Cobb, special agent in Illinois for Fire Association, has been inducted into the army and is a private in the medical division at Camp Grant.

Two men have been called to the colors from the casualty department of Travelers in Philadelphia. They are A. B. Derickson, assistant manager, and Thomas Veale, a reserve lieutenant in the intelligence service.



A HOTEL doesn't select its patrons . . . they do the selecting! Young and old, liberal and conservative, the well-to-do and the budget-watchers . . . all must be satisfied. The fact that the Lord Baltimore is definitely "Host to Most Who Visit Baltimore" is an indication that this great hotel has managed to strike a happy medium . . . is an indication that you will be pleased!

The  
**LORD BALTIMORE**  
Hotel  
BALTIMORE, MARYLAND

1941 TEMPO  
**SMART-MODERN**

350 Beautiful  
Rooms with Bath

From \$250  
TO \$6.

*Hotel*  
**CONTINENTAL**

NEW  
Entertainment and  
Dining Facilities.

PENGUIN ROOM  
COCKTAIL LOUNGE  
THE ALCOVE  
COFFEE SHOP

R. E. McEachin, Mng. Dir.  
Direction  
SOUTHWEST HOTELS INC.  
Mrs. H. Grady Manning, Pres.

**KANSAS CITY**  
MISSOURI





**WITH THE INSURANCE COMMISSIONERS AT DETROIT:**

Top—J. P. Roiston, Connecticut insurance department, and Seth B. Thompson, Oregon commissioner.

Below—James M. McCormack, Tennessee commissioner, and John Sharp Williams, III, Mississippi commissioner. Pictures by H. H. Fuller, deputy U. S. manager of Zurich.



**GROUP OF UNFORTUNATELY REAL INDIANS AT PAMUNKEY CEREMONIAL DURING COMMISSIONERS CONVENTION AT DETROIT:**

J. R. Dumont, manager Interstate Underwriters Board; Thomas Watters, Jr., special counsel National Board; Jesse S. Phillips, chairman Great American Indemnity; C. C. Klocksin, legislative counsel Northwestern Mutual Life, and Edward C. Stone, U. S. manager Employers Liability.



**GROUP AT COMMISSIONERS ANNUAL MEETING:**

Top—Ray Murphy, assistant general manager Association of Casualty & Surety Executives; Maurice V. Pew, secretary Farmers Automobile Inter-Insurance Exchange, Los Angeles; and S. B. Perkins, secretary Travelers.

Below—C. Gilbert Waldo, Bosquett & Co., Detroit; Howard P. Dunham, vice-president American Surety, and W. G. Curtis, president National Casualty.



**PERSONALITIES AT COMMISSIONERS CONVENTION:**

Top—James V. Barry, former Michigan commissioner, and J. R. Barry, vice-president Corroon & Reynolds.

Below—Joseph Mason, Detroit manager Zurich, and S. L. Carpenter, Jr., manager Pacific Board.

***“Prompt Paying Preferred”***

## **50 + YEARS *of* SERVICE**

“PROMPT PAYING PREFERRED,” a phrase coined long ago, is a slogan by which this Company is known widely among Agents, Brokers and Policyholders alike.

Now rounding out 56 years of service, the continuing success of the Preferred is built upon a policy of steady, natural growth. Emphasis on intelligent insurance

underwriting, both in the field and home office, and prompt settlement of claims has assured this growth.

That the course the Preferred has followed met the approval of Producers of the highest type throughout the nation, is evidenced by the fact that the mutually profitable relationships between the Company, its Agents and Brokers are usually of many years' standing.

# **THE PREFERRED ACCIDENT INSURANCE COMPANY**

HOME OFFICE, 80 MAIDEN LANE, NEW YORK, N. Y.

EDWIN B. ACKERMAN, *President*

**AUTO    ACCIDENT    BURGLARY    PLATE GLASS    LIABILITY**